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NEWS SUMMARY

GENERAL

Moderate black leader killed in Namibia

Chief Clemens Kapuuo, a leading black political figure in Namibia, was shot and killed by an assassin in Windhoek yesterday. Police said the chief, leader of the Herero tribe, was hit by several bullets on his way to a shop he owned in Windhoek's Katutura township.

Chief Kapuuo was president of the Democratic Turnhalle Alliance, a moderate, multi-racial political grouping set up to contest pre-independence elections in the territory. He was bitterly opposed by the South West Africa People's Organisation, the nationalists who are fighting a guerilla war along Namibia's northern border.

There were fears last night that the killing of the chief might lead to fresh violence in Katutura between Hereros and Swapo supporters.

Empain freed

French police said that a gang of about 12 may have been involved in kidnapping Belgian-born industrialist Baron Edouard-Jean Empain, released in Paris on Sunday after a 62-day ordeal in which he was kept hooded and manacled to a bed. Alain Caillol, arrested on Friday after a gun battle, is thought to be the gang's leader. Page 2

Pub bomb charge

Two men have been charged in connection with Saturday night's pub bombing in Portadown in which 14 people were injured. Meanwhile, Army and police chiefs are trying to find out how David O'Connell, the former IRA chief of staff, breached their security net around Londonderry to address Sunday's Easter Rising ceremony.

Wilfred Pickles

Wilfred Pickles, the actor whose Have A Go radio series ran for 21 years until 1967 died at his Brighton home, aged 73.

Fleet Street hit

Sir Richard Marsh, chairman of the Newspaper Publishers Association, described disputes in Fleet Street as "near-fatal anarchy." The Times failed to publish to-day for the second successive day and, as a result, there was no London production of The Guardian. A separate dispute is affecting distribution in the London area. Back Page

Airport delayed

The Japanese Government has had to postpone the opening of Tokyo's new Narita airport for at least a month after the control tower was severely damaged during rioting at the week-end. Page 2

Red Rum hurt

Red Rum, 6-1 favourite to win his fourth Grand National on Saturday, has only a 50-50 chance of competing after bruising a hind leg in training on Good Friday, said Ginger McCain, his trainer.

Hess plot foiled

West German police have foiled a plot to free Rudolf Hess, Hitler's former deputy, from Berlin's Spandau Jail. Five members of a Right-wing extremist group, which operated under the guise of a shooting club, have been arrested and a hunt has been launched for up to 20 others.

Briefly . . .

Clive Lloyd has resigned as West Indies cricket captain in protest at the selectors' decision to drop Deryck Murray and Desmond Haynes from the Third Test against Australia.

More than 100 passengers escaped unhurt when a train jumped the rails near Nuneaton Trent Valley station in Warwickshire.

BUSINESS

Britain seeks Japanese investment

● U.K. GOVERNMENT will send a delegation to Japan this week to try to persuade Japanese companies to invest in Britain. The party will be led by Mr. Alan Williams, Minister of State at the Department of Industry.

The main aim of the visit will be to repair damage done when Hitachi was forced to drop its plan to set up a colour TV factory in the U.K. Mr. Williams said he would try to reassure the Japanese that there was no hostility towards their investment in the U.K. Back Page

● BANK OF JAPAN is intervening less actively in the Tokyo foreign exchange market, allowing the dollar to fall yesterday to Y225.25, another post-war low against the Japanese currency. The bank has already bought up about $5bn. this year to try to stem the yen's rise. Back Page

● WALL STREET was down 2.43 at 754.07 at 1 p.m.

GKN bids for deal with East Germany

● GKN is holding talks with East Germany on a construction and licensing deal for front-wheel drive transmission units. Peugeot-Citroen and another competitor are also seeking the contract. Back Page

● AMERICAN MOTORS is seeking Federal Government guranatees for commercial loans totalling $100m. to finance the development of new cars. The Government recently agreed to a loan guarantee scheme for the steel industry, but such aid to a single company is unusual. Page 15

● BOEING estiamtes that the world market for jet airliners up to 1987 will be worth $74bn. (£39bn.) and that passenger traffic will grow by more than 6 per cent. a year. Back Page. Japan's three main airlines plan to import between 41 and 45 aircraft in the next two to three years. Page 3

● CABLE AND WIRELESS interests in Aden are to be nationalised from April 1, but the company may well be retained as an adviser on installation of a satellite-connected telecommunications system. Page 2

● OFFSHORE group led by Amoco and British Gas has gained a new stake in a North Sea block close to the Beryl and Frigg fields. Numiac-Seibens, which was originally awarded the licence for the block, will rfetain a share in the proceeds if commercial reserves are found. Page 4

Banks arrange finance for Brazil project

● INTERNATIONAL BANKS are again prepared to lend money for over ten years. Citicorp and Morgan Guaranty, together with Deutsche Bank, have agreed to arrange a $175m. financing for 10-12 years for the Itaipu hydro-electric project on the Brazil-Paraguay border. Back Page

● DRAFT RULES for a new sterling money brokers' association under the aegis of the Bank of England are clase to completion. Page 4

● BANKS may be given the go-ahead by the Price Commission shortly to raise some of their charges to customers. Page 4

● GROCERY bills are up again this month, mainly because of dearer meat and dairy products. The Financial Times grocery prices index rose just over 2 per cent. to 271.66, the biggest monthly increase since December. Page 16

Treasury oppose plans to spend contingency funds

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

Treasury Ministers are resisting proposals submitted to the Cabinet for additional public spending which would commit all of the £750m. 1978-79 contingency reserve before the start of the financial year.

The contingency reserve is a specified amount within the total of planned public spending to cover unforeseen items during any financial year.

The discussion on public expenditure will not affect the size of the income-tax cuts to be disclosed in the April 11 Budget speech but decisions on additional spending are likely to be announced at the same time.

Child benefit

Main controversial items are the timing of the increase in child benefit, the extent of the uprating in social security benefits this autumn, and proposals for additional spending on the health service and on construction.

The Cabinet is likely to decide on these questions next week.

Several of the spending proposals would operate from the late summer onwards and thus would be in time to have an impact on an October election.

Ministers have, however, already approved several smaller items involving additional spending, including:—

● Postponement of the rise in school meal charges, due in September.

● Increased subsidy (from EEC sources) for school milk for children aged between 7 and 11.

● Extension of special employment measures, as already announced.

● Energy conservation scheme to provide incentives for householders and industry.

These items together amount to more than £200m. in 1978-79 and the Treasury is determined to limit the commitment of the contingency reserve at this stage to not much more than £300m.

Mr. Joel Barnett, Chief Secretary to the Treasury, has apparently warned his Cabinet colleagues that the proposals already submitted would commit all of the contingency reserve for 1978-79 and half of the much larger reserve for the following financial year.

Treasury Ministers are determined to prevent this partly because of general uncertainties about additional calls later in 1978-79 but also, more specifically, because of the probable demand for finance for British Leyland, British Steel and for shipbuilding.

This limits the room for manoeuvre and the Treasury has no intention of revising the overall public spending plans, including the reserve, contained in the White Paper published in January. This view has been reinforced by a growing feeling in Whitehall that underspending and shortfall in the next financial year could be smaller than recently as programme managers and finance officers become more familiar with cash limits and so less cautious.

The eventual commitment of all the contingency reserve during the financial year as a whole is assumed in existing borrowing requirement projections. Any further stimulus from tax cuts in the Budget would be separate, and would increase borrowing.

Exact balance

The pressure for additional expenditure follows a Cabinet discussion at Chequers five weeks ago when the need for some extra spending alongside tax cuts was agreed, though there has been disagreement about the exact balance.

The unresolved proposal most likely to be approved concerns child benefits. There is already general agreement on a rise to £4 a week per child from the level of £2.30 which will apply from next month.

Only part of such an increase would be required to offset the phasing-out of child tax allowances so there would be a rise in the real level of child support.

The Treasury wants this further increase to be delayed until April, 1979, while Social Service Ministers have pressed for a rise in November.

Several Cabinet members, including the Prime Minister, are believed to be sympathetic to TUC calls for an earlier rise.

There is understood to be less support for a call from Mr. Peter Shore, Environment Secretary, for an extra £150m. for construc-

Continued on Back Page

French to blast tanker wreck

By Mark Webster

BREST, March 27.

THE WRECK of the grounded tanker Amoco Cadiz will be remaining oil, French authoriti blasted open to let out all the remaining oil, French authorities announced to-day.

It is estimated that 20,000 tons of oil is still inside the tanker after 200,000 tons had poured out and spread along the Britanny coastline.

M. Marc Becam, Secretary of State at the Ministry of the Interior, said in Ploudenezeau, near Brest, to-day that he had decided at the request of Admiral Coulandres, the senior naval officer in the operation, local people and the mayors concerned to use mines to blast the remaining oil from the tanker as quickly as possible.

The charges will be taken to the wreck as soon as the weather improved. But Commandant Francois Gillot, of the French navy, said the prospects for good enough weather were slim to-day or to-morrow.

A navy diving team from Toulon will plant the mines under the hull of the ship, which is now in two parts. The idea is to get more water into the oil tanks and force the oil out of the top.

Yesterday, the French navy opened the hatches on the top of the ship and already oil is pouring out and forming a massive slick.

The U.K. Department of Trade sent a special request to the French that the blasting should be done in rough weather to minimise the risk to the English coastline.

Earlier French authorities had made it clear that they did not expect the $30m. compensation available to be enough for dealing with the effects of the Amoco Cadiz oil spill.

M. Christian Gerondeau, head of the Civil Safety directorate, suggested that Amoco, the tanker's owner, might be expected to contribute to increase the funds available through the various insurance payments.

"There is certainly going to be a decision about the amount of money which is due from Amoco and from its insurers. But we do think the total will exceed $30m.," he said.

In the Channel Islands, where a change in wind direction had re-awakened fears of substantial beach pollution, there was relief that rough seas appeared to be breaking up small slicks before they reached the shore.

Begin calls on Sadat to renew talks

BY DAVID LENNON

TEL AVIV, March 27.

MR. MENAHEM BEGIN, the Israeli Prime Minister, under mounting pressure at home and abroad over his handling of the invasion of South Lebanon and the Middle East peace negotiations is to appeal to President Anwar Sadat of Egypt this week to renew talks between the two countries broken off in January.

The Israeli leader will send a letter to the Egyptian President stressing that the peace plan presented to Egypt last December is only a negotiating position, not the final text of a treaty. He will ask President Sadat to submit his own peace plan.

Mr. Ezer Weizman, the Israeli Defence Minister, may go to Cairo soon to renew the "military committee" talks with General Mohammed Ghani Gamassy, Egyptian Minister of Defence, according to reports from Jerusalem.

Both the letter to Mr. Sadat and Mr. Weizman's possible trip are part of Mr. Begin's effort to revive the stalled peace negotiating process, and confound sharp U.S. criticism that his tough position led to the impasse.

Solidarity

The Cabient apepared to rally around the Premier yesterday, in spite of indications from Mr. Weizman an dother Miinsters that they are not totally happy with Mr. Begin's stewardship.

The Cabinet's apparent solidarity was given a major boost by the alleged report of a U.S. official saying that Mr. Begin must be replaced if the peace process is to have a change.

This morning the newspaper Davar claimed that the remark had been made by President Jimmy Carter's National Security Adviser, Mr. Zbigniew Brzezinski, in conversation with Mr. Moshe Dayan, the Foreign Miinster. It claimed that it was the Israeli Foreign Ministry which had given the report to Israel TV and Radio.

The Government yesterday re-examined its peace plan, but after alomst five hours of debate, decided that there was no need to modify it, according to the Cabinet Secretary. He insisted that the support for Mr. Begin's unyielding position in his Washington talks with Mr. Carter last week was unanimous.

"The Cabinet considers Israel's peace plan a fair basis for negotiations with the Arab states," the Cabient communique stated. It offers a withdrawal from Sinai, and local autonomy to the Arabs of the occupied West Bank and Gaza Strip.

Both Egypt and the U.S. have already said that, unless Israel agrees to some withdrawal on the West Bank, the plan will not be acceptable. Although the Cabinet supported Mr. Begin's position, the stress on the plan as a negotiating position implies that Irael may now appreciate the need to soften its position slightly, asu rged by Mr. Carter.

Before yesterday's Cabinet session, Mr. Begin and Mr. Weizman held a private meeting, presumably to discuss the Defence Minister's call on Friday for a "National Peace Government" and his comment that the government could have done more than it did to resume talks with Egypt.

Mr. Weizman's call had been seen as a thinly veiled challenge to the Premier, and he came under strong criticism for this from within the ruling Coalition. No details of the meeting have been revealed, but Mr. Weizman, not known for hiding his feelings, appeared very pleased after it.

Opposition

The Cabinet Settlement Committee will meet on Wednesday to discuss the continuation of the freeze on new settlements in the occupied territories imposed on the eve of Mr. Begin's trip to Washington.

It is possible that Mr. Weizman won a promise for a continuation of the freeze while he goes to Cairo to try to renew the peace talks.

The opposition Labour Party has been intensifying its attacks on the Government and will try to induce some Coalition members to vote against the Government's claim that UN Resolution 242 does not require Israeli withdrawal from the West Bank.

Mr. Shimon Peres, chairman of the Labour Party, again reiterated his party's refusal to join a national unity coalition.

Mr. Abba Eban, former Foreign Minister, said that the Government had failed in the peace talks, antagonised the U.S. Administration and failed to win the support of public opinion

He asserted that the Labour Party was not in alignment with Egypt or the U.S., in an apparent attempt to counter Government charges that he was unpatriotic for saying earlier that the Likud Government was falling apart.

The domestic opposition to Mr. Begin's policies which, Washington hopes, will force a change in Israel's negotiating position, began to surface to-day in newspaper advertisements.

"Begin Must Go," was the message of one signed by 14 "Citizens Who Care." They accuse him of making a string of mistakes, including "the miserable operation in Lebanon."

But there is also support in another campaign from the "Movement to Stop National Suicide." It objects to any more compromises, declaring that "confrontation with the U.S. is preferable to destruction by the Arabs."

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Government agrees to City watchdog body

BY MARGARET REID

THE GOVERNMENT has now given its agreement to the setting up of the City's long-planned new self-regulatory watchdog body, the Council for the Securities Industry, which is to oversee securities markets.

Final details of the project, including financing, are about to be concluded and an announcement from the Bank of England about the establishment of the council is likely before the end of this week.

Having asked in October 1976 for improved voluntary surveillance of the City, Mr. Edmund Dell, Trade Secretary, hopes it will succeed in limiting any risk of scandal or malpractice without statutory powers. Should the council prove ineffective, the Government would look again at the whole system of City regulation.

Mr. Gordon Richardson, Governor of the Bank of England, aimed to conclude arrangements for the council by the end of this month, when Sir Harold Wilson's committee on financial institutions begins to consider regulation of the City.

The prospect that this timetable will be met means that the council is likely to be launched before Mr. Dell is due to meet the Labour back bench economic and trade groups on April 12.

More than 50 MPs recently signed a motion critical of the council put down by Mr. Ian Wrigglesworth, Labour MP for Teesside Tornaby.

It read: 'This House would have no confidence in a Council for the Securities Industry consisting entirely of representatives of City institutions with no legal powers and no responsibility for other parts of the financial services industry."

The projected 19-member council is to have three lay members representing the "public interest" as well as representatives of the Bank of England, the Stock Exchange, banks, investing institutions, accountancy bodies and the Confederation of British Industry.

The hope is that the Council will not lack authority though it will be without legal powers. It will harness the considerable sanctions over quoted companies which the Stock Exchange has through its listing agreement. Moreover, participating bodies will be asked to accept publicly that the council's rulings could not be ignored.

Financing of the council, costing perhaps £½m.-£¾m. a year, is likely to be by a mixture of a levy on share transactions and contributions from the participating associations. The levy could be as little as 14p on smaller share deals rising, possibly, to 50p-70p for larger transactions.

The Government is also content to see the launch on April 21 of London's new traded share options market, to be conducted under the Stock Exchange's control.

No formal Government consent is needed for this and Ministers take the view that the Stock Exchange must monitor and supervise this market, as it does the stock market itself, to prevent any abuse.

The Stock Exchange Council is expected to-day to consider proposals for commission charges in the London options market. The charging system probably will be a modest fixed sum per option contract plus a percentage charge of under 3 per cent. on the first £5,000 of consideration, with a lower rate on amounts of option money above that.

Although there will be no Bill to amend company law in the present Parliamentary session, it is now hoped in Whitehall that a Companies Bill will be introduced towards the end of this year.

Britain is obliged under its Common Market commitments to legislate by the end of 1978 to bring aspects of its company law, particularly on company names, into line with EEC directives.

Current thinking appears to be that the introduction of a Bill in November would be adequate, although much would obviously depend on the timing and result of a General Election.

Leyland Cars plans £300m. cut in capital spending

BY OUR INDUSTRIAL STAFF

LEYLAND CARS hopes to achieve a planned cut of nearly £300m. in capital spending without jeopardising its ability to compete across the full model range.

Preliminary estimates circulating within the company suggest that the ambitious investment programme for the profitable Parts and SU Butec components division can be trimmed by more than £50m.

Savings approaching that level are also sought to bring the cost of the proposed engineering centre well below £100m.

Considerable economies will also flow from the decision by Mr. Michael Edwardes, the new British Leyland chairman, to scale down the production and sales targets set in the original Ryder rescue scheme

Compared with the Ryder aim of a 32 per cent. U.K. market share and an annual output of about 1.2m. cars, the company now envisages only a 25 per cent. share and production of between 808,000 and 900,000 vehicles.

The failure of the cars group over the past two years to generate sufficient profit to make a meaningful contribution to future investment made a review of capital spending urgent.
e21forced8rcap

In the long-term corporate plan being considered by the Government, management has sought to cut the fat from investment projects. Spending is to be confined to the essential rather than the merely desirable.

A major casualty of the strategy is the foundry modernisation and expansion programme, the allocation for which is thought to have been cut from £109m. to £46m.

While Leyland management was able to draw broad conclusions fairly quickly on where expenditure might be cut, the detailed programmes are the subject of much greater study.

Throughout the investment review, the aim has been to retain Leyland as a volume car producer and ensure that the company can assemble a full model range from the Mini through to the Jaguar.

Minor savings have been sought on the £250m. project to produce a new small car, code-named the ADO 88, at Longbridge, Birmingham.

More significant economies are probable on the proposed new middle range car, the LC 10, to be built at Cowley, Oxford. Plans for a derivative of the basic model, the LC 12, are likely to be shelved at least until the company can be put on a stronger financial basis.

The review has also made possible a slight shift in resources away from the volume car side towards the successful quality models.

More money will be devoted to the award winning Rover 3500 and towards expanding output of the successful Land Rover/Range Rover models.

The size of the economies sought in the cars group should allow more investment in the special products and truck and bus companies, while still achieving a £200m. net reduction in group capital investment up to 1981.

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FEATURES

For latest Share Index 'phone 01-246 8026

Empain freed

BY DAVID WHITE — PARIS, March 27.

FRENCH POLICE are hunting to-day for the kidnappers of Baron Edouard-Jean Empain, the Belgian industrialist who was released in Southern Paris last night after being held to ransom for over two months.

The 40-year-old Baron, head of France's third largest financial group, and a personal friend of President Giscard D'Estaing, is in good health according to the police, although he has been roughly treated, and had a finger mutilated.

Baron Empain was kidnapped in his own car on January 23, just after leaving his home in the aristocratic Avenue Foch in Western Paris. He was kept prisoner in several locations, hooded, bound by his hands and feet, given little food and exposed to the cold, a police spokesman said.

Negotiations progressed in secret, and the case was virtually neglected as the General Election campaign raged. Police first feared that the kidnap was politically motivated, but it gradually became clear it was the work of criminals rather than political extremists.

The kidnappers set the Baron free, still hooded, in the Paris suburb of Ivry at about 10 p.m. on Sunday night, giving him a 10 franc note to travel home. The Baron took the underground to the Paris Opera, passed unnoticed through a store and restaurant and telephoned his wife.

The Empain kidnapping reached its climax on Friday night, when police ambushed members of the gang at a ransom pick-up point on a motorway south of Paris. The police carried a payment of Frs.40m. (about £4.5m.). A shoot-out left one of the gang dead and two inspectors injured. None of the ransom payment was collected.

A second member of the gang, M. Alain Caillol, described by police as a known criminal, was wounded, captured and interrogated. Police are looking for seven or eight others believed to be involved.

It was M. Caillol who called from police headquarters to the remaining members of the gang instructing them to release the Baron, according to M. Pierre Ottavioli, head of the Criminal Brigade. The police accepted his condition that they would not trace the call.

W. German strike talks

BY JONATHAN CARR — BONN, March 27.

NEGOTIATIONS resume to-morrow to try to end a regional strike in the West German metal-working industry, but chances are slim that there can be a return to work this week.

Union and employers-representatives spent 35 hours in tough bargaining over the Easter holiday period, trying to resolve differences over a wage increase for this year and over job security measures.

Both sides reported some small progress but claimed they were still far from accord. Even if agreement could be reached relatively quickly in the new negotiating round, the result would still have to be put to a vote by union members before the strike could be ended.

U.S. miners return to work

By Stewart Fleming

NEW YORK, March 27.

MOST OF the 160,000 members of the United Mineworkers Union were reporting for work again to-day bringing to an end the longest coal strike in the union's history.

Union members voted to approve a new contract on Friday by a narrow 57 per cent. majority. The dispute lasted 110 days and closed down coal mines producing half the nation's output.

The return to work was not total, however. Construction workers, who are also UMW members but have a separate contract, have still not agreed their three-year pact. Some of the 10,000 construction staff, whose work includes digging mine shafts, were reported to have set up pickets in scattered locations through Appalachia. The pickets prevented operations resuming at at least seven large underground mines.

Construction worker leaders are expecting to agree a new contract some time this week.

While the return to work is widespread, and most miners will be picking up the $100 bonus for reporting for duty to-day, few in the coal industry are confident that the strike will have contributed to a much-needed improvement in labour relations in the coal fields.

The union leadership is probably more deeply divided at the end of the dispute than it was at the beginning, and divisions within the employers group, the Bituminous Coal Operators Association, are just as sharp.

Many miners are unhappy about the terms of the new contract in spite of the 39 per cent. wage and benefit increase it will bring.

Call for new Rhodesia meeting

BY MICHAEL HOLMAN — DAR ES SALAAM, March 27.

THE five African "front-line" states and the Rhodesian Patriotic Front have called on the British and U.S. Governments to reconvene "in the shortest possible time" the Malta conference on Rhodesia for further discussions based on the Anglo-American settlement proposals, or announce that the proposals have been "abandoned."

Only the Patriotic Front and an Anglo-American negotiating team took part in the first Malta conference two months ago. However, a senior front-line source indicated to-day that if certain pre-conditions were fulfilled, all parties to the Rhodesia dispute, including internally-based black leaders, would be allowed to attend the second of two separate sessions at a reconvened conference.

The source said the first session would involve discussion on military matters attended by the British and U.S. governments and the "warring parties"—that is, the guerilla-backed Patriotic Front and the Rhodesian Prime Minister, Mr. Ian Smith.

Provided progress was made, a constitutional session would then follow at which all interested parties, including the internal leaders, could attend. Thus by allowing internal leaders to be present, the conference would be turned into "proximity talks."

This appears to be the only formula that would get all the parties together at the same place, and at the same time—even if not in the same room. It could both meet the call by the British Foreign Secretary, Dr. David Owen, for an all-party conference but remain within the terms set by the PF co-leader, Mr. Joshua Nkomo in Lusaka last week.

But it seems unlikely that the formula will suit Mr. Smith and his fellow signatories to Rhodesia's "internal" settlement agreement, who have offered no encouragement of further discussions based on the Anglo-American plan.

The ultimatum to Britain and the U.S. was contained in a communique issued at the end of a two-day meeting here attended by the Presidents of Tanzania, Zambia, Botswana and Mozambique (President Neto of Angola did not arrive), together with Mr. Nkomo and Mr. Mugabe of the Patriotic Front.

Lebanon peace drive problems

BY IHSAN HIJAZI — BEIRUT, March 27.

THE PEACE process in southern Lebanon is running into some serious difficulties, and the Lebanese Government is profoundly worried, following week-end developments.

Officials in Beirut were particularly concerned over statements made yesterday by Major General Avigdor Ben-Gal, the commander of Israel's northern front, which suggested that the Israelis were going to delay their withdrawal from Southern Lebanon.

General Ben-Gal said the Israelis would not pull out until they were certain that U.N. forces and the Lebanese army were able to keep the guerillas out of the south. Even more disturbing for the Lebanese, was the General's remark that Israel wanted "independence" for the Christians in southern Lebanon.

The Israeli-backed Christian militias have been slowing down the return of Lebanese refugees to their villages south of the Litani river. The militias, led by Major Saad Haddad, have demanded that Shia Moslems in the zone must join Christian militias in order to keep Palestinian guerillas out.

The Lebanese Government has intensified efforts for sending Lebanese army units to the south to help UN forces there. The army command has published names of Lebanese army personnel who, it said, must report immediately to their barracks, apparently to prepare for duty in the south.

David Lennon adds from Tel Aviv: Mr. Ezer Wiezman, Israeli Defence Minister, to-day stated plainly that he would give the Palestinian forces only another 48 hours to stop firing on Northern Israeli villages before taking action against them.

Touring the northern border to-day, Mr. Wiezman said he hoped the rocket attacks from north of the Litani River would end soon. He asked the villagers who have been under attack for two weeks to be patient for another 48 hours.

RIOTS OVER NEW TOKYO AIRPORT

Opening postponed

BY DOUGLAS RAMSEY — TOKYO, March 27.

THE JAPANESE Government has had to postpone the opening of Tokyo's new international airport, Narita, for at least a month following week-end protests during which half-a-dozen determined radicals evaded 14,000 riot policemen and pillaged the airport's control tower. An official inquiry into the destruction of essential radar and ground communications has been opened to-day and the inauguration of the airport, due on Thursday, has been put off while repairs are made.

Narita is a rallying point for local farmers and student radicals who oppose the airport on environmental grounds and are angry at the government's unwillingness to bow to local opposition. The Sunday attack on Narita's control tower is the latest in a long series of violent protests against the airport which was completed in 1972 but has stood idle ever since. Riot policemen were on duty at the airport in anticipation of renewed activity by protesters, but they failed to detect the attack squad which reached the control tower via a maze of sewage tunnels leading from outside the airport grounds.

The attack coincided with several violent clashes at other parts of the airport between protesters and the police. As a result, no riot policemen were guarding the control tower when the squad sprang from a nearby manhole, climbed to the top of the tower and began to smash windows and equipment with hammers and steel pipes they were carrying.

Local farmers and their radical student supporters diverted the attention of thousands of policemen on Sunday morning by constructing a steel tower at the end of the Narita runway. The police under orders to demolish the makeshift construction which went up overnight, fought with protesters for several hours. Simultaneously, groups of protesters attacked police check-points at entrances to Narita airport by crashing their trucks against barbed-wire fences and hurling Molotov cocktails at parked cars and airport buildings.

More than 60 radicals and policemen were injured in the battles between attackers and the police. By Sunday night at least 115 protesters were jailed. They included all members of the control tower attack squad who were finally taken prisoner after the control tower was bombarded with tear-gas bombs.

Opponents of Narita airport have warned the authorities that they will continue protesting against the opening of the airport. After a six-year delay, Narita was scheduled to open officially on Thursday and first flights were set for next Sunday. Now the opening has been put off, and the police fear possible new attacks on fuel tanks at Narita. A fortnight ago protestors hurled Molotov cocktails at a rail shipment of jet fuel being transported to Narita, but caused no damage. Until after Narita's opening, however, the airport authorities have halted all further fuel shipments to minimise the risk of further incidents.

The violence at Narita flared soon after the airport authorities made their peace with the International Air Transport Association (IATA) which had protested vigorously against the high rate of landing fees and other Narita airport charges. The new Tokyo international airport authorities agreed, however, to cut the planned rates by roughly 18 per cent. The rates will still be uniformly higher than those at the existing Haneda airport which are from 35 per cent. to 60 per cent. lower than the fees initially planned for Narita.

U.S. banks refuse to cut S. African loans

BY STEWART FLEMING — NEW YORK, March 27.

TWO OF the largest U.S. commercial banks, J. P. Morgan and Manufacturers Hanover, are resisting shareholder proposals on loans to the South African Government.

In its proxy statement to shareholders J. P. Morgan, the parent company of Morgan Guaranty Trust, recommends that they vote against a proposal put forward by the Protestant Episcopal Church and other religious groups calling on the bank to provide fuller information about its South African lending policies.

While condemning the apartheid system in South Africa, the bank's management says, "Refusal to make loans to viable commercial or development projects in South Africa, whether or not Government sponsored, could put considerable hardship on all the people of that country most especially those who suffer the greatest disadvantages under apartheid."

The directors of Manufacturers Hanover, responding to a shareholder's proposal that the bank should join the growing number that have decided that South Africa is no longer a good risk "financially or morally," recommend that shareholders vote against the proposal. They say that the bank takes care to avoid actions which would support either the apartheid policies of South Africa or practices which discriminate against its black population.

Earlier in the month, Citicorp, which ranks with Morgan and Manufacturers Hanover among the top five U.S. commercial banks operating in South Africa, disclosed that it was ending loans to the South African Government and to government-sponsored enterprises.

Carter flies out for major overseas tour

BY JUREK MARTIN — WASHINGTON, March 27.

PRESIDENT CARTER embarks to-morrow on his third major overseas trip since assuming office. His week-long journey to Venezuela, Brazil, Nigeria and Liberia comes at a time when at least some of the domestic pressures on him are rather less intense than in recent months.

He achieved a notable political victory when the Senate ratified the first Panama Canal Treaty, and relief, now that the coal miners have approved a new contract. Unfinished business still abounds—for example, in the prominent shape of the unresolved Energy Bill, and the growing debate over fresh anti-inflationary measures. But neither of these issues would appear to demand his immediate attention.

Late last year, Mr. Carter was obliged first to postpone, and then to prune, his foreign travel plans because of domestic requirements. In visiting South America and Africa he is fulfilling a promise which he was compelled to forgo last year.

Nigeria is generally considered to be the most important country on his itinerary, both from an oil, and a political point of view. The U.S. has tried hard during his Presidency to improve relations with Africa's most wealthy nation, and clearly hopes to inspire Nigerian leadership in many parts of the continent, ranging from the Horn to Rhodesia.

U.K. move on Indian aircraft

By Chris Sherwell

NEW DELHI, March 27.

BRITAIN HAS made a firm offer to collaborate with India on the manufacture of the Anglo-French Jaguar, Mr. James Wellbeloved, the junior defence minister, said in Madras over the week-end, according to the Indian news agency Samachar.

India's cabinet should already have received recommendation on the purchase of a deep penetration strike aircraft from a high-level delegation which recently returned from Europe. The delegation examined the merits of deals involving the Jaguar, the French Mirage F-1 and the Swedish Viggen.

Mr. Wellbeloved is reported to have said that during the Indian delegation's visit he had gained the impression that its members would be satisfied with the British offer. He also said collaboration would be strictly on a commercial basis and that the British Government would offer its good offices for any arrangement between the Indian Government and the British aircraft industry.

The Minister was ending a six-day tour of South India, where he visited Hindustan Aeronautics in Bangalore—the company which would eventually produce the fighter aircraft chosen by the Indian Government.

Aden takeover of cable system

By Our Industrial Staff

CABLE AND Wireless's interests in Aden are to be nationalised from April 1, but the company could well be retained to act as advisor for the installation of a satellite-connected telecommunications system.

The left-wing Government of South Yemen said yesterday that a National Yemeni Communications Company will be formed to take over operation of telephone and cable facilities. It is thought likely that this body will order a Standard B Earth Station system, worth about £1m.

Cable and Wireless has been negotiating with the Government for a termination of its concession for some months.

Agreement on compensation for the loss of assets, probably worth well under £1m., is understood to be close. Aden's external telecommunications system, a standard high frequency radio type, is in need of upgrading.

The British company has no expatriate staff in Aden and in total the system employs around 100 people. The loss of revenue to Cable and Wireless resulting from the takeover will not be significant, although it ends a connection dating back to the turn of the century.

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WORLD TRADE NEWS

Soviet Union cuts deficit with West

BY DAVID SATTER MOSCOW, March 27.

THE SOVIET UNION cut the size of its deficit in trade with the West sharply during 1977 and even posted a small surplus during the last six months of the year, according to the figures released by the journal Foreign Trade.

The generally optimistic figures show that the Soviet deficit in trade with the West totalled roubles 1.11bn. (£843m.) in 1977, only 44 per cent. of the deficit in 1976 which stood at roubles 2.52bn. and less than a third of the massive of 1975 deficit which was roubles 3.6bn.

In addition, the entire 1977 Soviet deficit in trade with the West was built up during the first six months of the year as the annual deficit reached roubles 1.34bn. (£1.02bn. at the present rate of exchange). The Soviet Union has been in surplus with the West during the last half of the year by roubles 230m. (£174.24m.).

Total Soviet trade turnover expanded 12 per cent. in 1977 to roubles 63.353bn. from roubles 56.755bn. in 1976 but, typically in light of the trend of the last few years, trade with the West declined sharply in relative terms.

Soviet trade with the West accounted for only 29.5 per cent. of Soviet foreign trade in 1977 compared to 33 per cent. in 1976, while trade with Socialist countries accounted for 57.5 per cent. of Soviet trade in 1977 compared to only 55 per cent. in 1976. Trade with the Third World accounted for 13 per cent. of Soviet Trade in 1977 compared with only 11 per cent. in 1976.

The absolute drop in Soviet trade with the West was only Roubles 62.5m. but, by comparison, trade with Socialist countries and the Third World expanded in 1977 and in both categories, the Soviet Union registered sizeable surpluses. Overall, the Soviets had a trade surplus of R3.16bn.

The reduction in the Soviet deficit with the West has been achieved through a tight hold on hard currency purchases this year. The Soviets are known to be sensitive to adverse comment in the West about their growing debt which at the end of the 1976 was estimated at £8.14bn.

The Soviets also had heavy debt repayment commitments in 1977 and were doubtless chastened by the disappointing grain harvest which will necessitate expensive grain purchases abroad.

EEC check on U.S. yarn imports

By Rhys David, Textile Correspondent

EUROPE'S FIBRE producers have asked the European Commission to look into low-cost imports into the EEC of industrial yarn from the U.S.

The request, which falls short at this stage of a full anti-dumping application, follows a rapid build up in U.S. exports helped partially by the fall in the value of the dollar.

The U.S. industrial yarn producers, with Allied Chemical, the main supplier to Europe, are thought to be under-cutting the domestic fibre makers by as much as 30p per kilo on some product lines, and this has enabled the U.S. industry to double its market penetration over recent years to between 10 to 20 per cent. in some areas.

Industrial yarn, used in a wide variety of applications from tarpaulins to tyres, represent one of the few areas where European producers have been able to hold prices and make profit over recent years, and this is one major reason for the concern at U.S. under-cutting.

The main impact has so far been felt in Germany where there has been a major increase in shipments of U.S. polyester yarns and in the U.K. where U.S. penetration of the nylon yarn market has increased substantially.

Tokyo to aid purchase of European aircraft

BY DOUGLAS RAMSEY TOKYO, March 27.

JAPAN'S three major airlines have informed the Ministry of Transport that they plan to import between 41 and 45 aeroplanes in the next two to three years, but they shed no light on whether the European A-300 Airbus or the British BAC One-Eleven will be on that shopping list.

Airline industry experts now expect some hard bargaining to begin between the airlines and the Japanese Government which wants to speed up imports of foreign aircraft to help cut Japan's trade surplus.

According to the Ministry, the purchase of 41 to 45 aeroplanes would cost the companies between $1.5bn. and $1.75bn. but the purchases are linked by the airlines to Government concessions on import credit terms, and expansion of domestic and overseas routes for Japanese carriers.

Meantime, the MoT has informed negotiators from the EEC Commission that it will send a letter to all Japanese airlines concerning the sale of European aircraft to Japan.

The letter will explain European arguments regarding the sale of aircraft to Japan and pledge favourable Government credit terms for stepped-up aircraft purchases. The letter is seen as the most concrete gesture the Japanese Government could offer without openly trying to force the hand of airline companies.

No mention of the MoT pledge was written into the joint communique signed by EEC and Japanese ministers on Friday, but the potential sale of European aircraft weighed heavily on the talks between EEC Vice-President Wilhelm Haferkamp and Japan's Minister for external Economic Affairs, Mr. Nobuhiko Ushiba.

The Japanese Government has been studying ways to sped up overseas aircraft purchases, notably by offering reduced interest rates on foreign-currency loans to buyers.

Japan Air Lines (JAL), All Nippon Airways (ANA) and Toa Domestic Airlines (TDA) were asked by MoT a fortnight ago for the purchasing plans to 1980 in order to let the Ministry map out an improved import financing system.

At present, the rate of interest on loans to buy foreign aircraft is pegged at 4.75 per cent. and the airlines insist that to purchase between 41 and 45 aircraft they will need softer terms. ANA, moreover, has pegged its purchasing plans to its demand for a few international routes once Tokyo's handling capacity for international flights is increased with the opening of the new Tokyo international airport at Narita.

TDA, meantime, has petitioned for new domestic trunk routes on which it could operate wide-bodied jets (now exclusively operated by JAL and ANA).

BRAZILIAN SHIPBUILDING

Yards may face hard times

BY SUE BRANFORD IN SAO PAULO

THE BRAZILIAN government is finally recognising that changes will have to come in its extremely ambitious shipbuilding programme, which has become increasingly incongrous in the light of world over-supply.

For several years Brazil's yards have been working at full steam, their books virtually complete, with orders stemming from the Second Shipbuilding Plan (1975-79). Under the plan, the government financed the construction of 5.3m. tonnes (plus another 1.3m. tonnes left over from the previous plan) at an estimated cost of $3.3bn. three years ago, at least half as much again by now.

Although the plan is running about two years behind schedule, 560,000 tonnes were built in 1976 and, after unexpected delays, 493,000 tonnes last year. A good increase is expected this year. By 1981-82, Brazil's fleet should have reached 9m. tonnes and its yards should have a capacity of about 1.2m. tonnes a year, placing the country among the top shipbuilding nations.

What is new is that the Brazilian authorities have publicly admitted that any additional expansion must be very carefully reconsidered in view of the difficult world situation, which creates serious obstacles in the way of exports, and of the severe burden imposed on the national exchequer by an expensive shipbuilding programme.

In a recent document, approved personally by President Ernesto Geisel, it is recommended that "any attempt by whatever means to increase the present capacity of national shipyards must be discouraged as long as the world shipping crisis continues."

The new attitude does not mean a drastic cutback on present targets. The government is guaranteeing the full completion of the Second Shipbuilding Plan and is reallocating some orders to help the smaller yards. The two biggest yards, Japanese Ishibrás (Ishikawajima do Brasil) and Dutch Verolme, have been told to keep to large-tonnage ships.

Some orders for small ships have been taken away from Ishibrás and given to the Brazilian yards Emaq, Caneco and Mauá. Ishibrás is the largest shipyard in Latin America. With a production of 262,000 tonnes last year, it alone was responsible for more than half the Brazilian total.

In part, the Government orientation may well be a response to the lobby from world shipbuilders, particularly from Western Europe, who have been putting pressure on Brazil to reduce its expansion targets. What is not yet clear is how the new position will affect the country's medium-term goals: specifically, the Third Shipbuilding Plan, which is to be announced over the next few months.

Previously it was expected that the plan would guarantee the financing of a further 5m. to 7m. tonnes, with the expectation of steering part of the increased production into exports. Now shipyards are anxiously awaiting the Government's decision.

Surprisingly, some of Brazil's shipbuilders oppose the very idea of a further plan. Paulo Ferraz, president of Mauá, a leading shipyard, commented: "This is no time for a further expansion programme. Government help should take another form."

Like other shipbuilding countries, Brazil provides export customers with very favourable terms: interest rates of 7 per cent. and a 10-year repayment period. Moreover, the Government subsidises about a quarter of the final cost of the ships, partly because the outlay for the shipbuilders is particularly high, as they are still paying for new yards and equipment.

In the future, too, costs may even increase, as shipbuilders will be producing more sophisticated vessels and may thus be paying out even more than the quarter of the total value at present spent on imported components.

Many observers are thus pessimistic about Brazil's ability to compete on the world market. At present, Brazil's yards are sheltered, with guaranteed outlets for their production. Once the big expansion phase is over for Brazil's fleet of ships, the yards may well face hard times.

Contracts

● A £2.56m. contract to increase the output of a generating station in the Sahara to 23 MW has been won by **Hawker Siddeley Power Engineering** of Burton on the Wolds, Leicestershire. The power station at Akjoujt in Mauritania supplies electric power to a remote copper mine and processing plant 100 km from the coast.

● **Massey-Ferguson** said it had signed an agreement with two Indian companies for the manufacture of Massey's new 245 tractor and of Perkins' 45 to 47 horsepower diesel engine. Financial details of the agreement were not disclosed.

● Two computer package sales—including the world's most advanced departure control system—have been made by **British Airways** to two Far East airlines. The deals are worth $1m and include full staff training and help with establishing the systems on location.

● Four Japanese steel companies have signed a contract to export 200,000 tonnes of large-calibre steel pipes to the Soviet Union for shipment between next month and May, **Nippon Steel** said. The cost was not given, but Nippon Steel said the exports follow an Export-Import Bank of Japan agreement to give the Soviet Union loans totalling $230m. to help buy about 700,000 tonnes of Japanese steel pipes.

● Sweden has signed a contract with the French State-owned company **Cogema** for the reprocessing of nuclear waste at the La Hague plant, near Cherbourg, at a cost of 1bn. Swedish crowns, industry officials said. The contract covers the 1980's and involves the waste from 620 tonnes of uranium.

● The U.S. Navy said it awarded **Litton Industries Ingalls** shipbuilding division a $796.1m. contract to build four destroyers for Iran. The ships will be delivered between November, 1980, and September, 1981.

● Abu Dhabi has extended a £3m. soft loan to Malta for the building of a £48m. transhipment harbour on the island's south coast at Marsaxlokk. Marsaxlokk harbour will incorporate a new industrial estate and its facilities will include container, general and bulk cargo vessel berths, container parks, groupage sheds, stores and workshops.

● The White Fish Authority (WFA) has placed an £85,000 order with **Cygnus Marine** for two fisheries research vessels for Saudi Arabia where they will be used to develop the Red Sea and Gulf coastal fisheries. WFA which is in the third year of a four-year fisheries development programme being carried out in Saudi Arabia under co-operation agreement with the Saudi Ministry of Agriculture and Water Resources, said the vessels will be prototypes for future commercial fishing boats.

World Economic Indicators

TRADE STATISTICS

			Feb. '78	Jan. '78	Dec. '77	Feb. '77
U.K.	£bn.	Exports	3.000	2.625	2.780	2.432
		Imports	2.916	2.959	2.856	2.618
		Balance	+0.184	−0.234	+0.026	−0.186
W. Germany	DMbn.	Exports	21.4	21.3	25.4	21.0
		Imports	18.7	19.4	21.2	18.3
		Balance	+2.7	+1.9	+4.2	+2.7
Japan	$bn.	Exports	7.260	5.580	8.449	5.773
		Imports	4.930	5.205	5.774	4.738
		Balance	+2.330	+0.375	+2.675	+1.035
France	Frs.bn.	Exports	28.611	26.877	28.366	25.521
		Imports	28.574	28.731	27.056	27.093
		Balance	+0.037	−1.854	+1.310	−1.572
			Jan. '78	Dec. '77	Nov. '77	Jan. '77
U.S.	$bn.	Exports	10.014	11.030	9.304	9.599
		Imports	12.393	13.059	11.386	11.269
		Balance	−2.379	−2.029	−2.082	−1.670
			Nov. '77	Oct. '77	Sept. '77	Nov. '76
Holland	Fls.bn.	Exports	9.610	9.161	9.027	10.049
		Imports	9.546	9.503	9.303	8.840
		Balance	+0.064	−0.342	−0.276	+1.209
Italy	Lirebn.	Exports	3,252	3,282	3,136	2,981
		Imports	3,266	3,745	3,348	3,605
		Balance	−0.014	−0.463	−0.212	−0.624
Belgium	B.Frs.bn.	Exports	106.693	119.338	123.609	121.911
		Imports	116.721	124.097	121.747	116.374
		Balance	−10.652	−4.759	+1.862	+5.537

SHIPPING REPORT

More tanker gloom

BY IAN HARGREAVES, SHIPPING CORRESPONDENT

WELL OVER one-third of world all tanker tonnage is now out of use, according to the latest estimate from brokers John I. Jacobs of London.

The Jacobs estimate, rather higher than many previous assessments, takes account of actual lay-up of vessels, as well as slow-steaming acceptance by owners of part cargoes and excessive delay time at ports.

According to the broker's twice-yearly World Tanker Fleet Review, these factors combined at the turn of the year to give an excess of 124m. deadweight tons of tanker capacity. This was on a total tanker fleet of 332m. dwt and a combined carrier fleet of 48m. dwt.

Although the Jacobs figures are now three months out of date, there is no doubt that the position has got worse. H. P. Drewry put the volume of tankers in layup at 44m. dwt at the end of last month, compared with the Jacobs figure of 35m. dwt.

The most elusive element in assessing overcapacity is the surplus caused by owners steaming their ships at slower and more economical speeds.

Jacobs has tracked a selection of VLCCs owned and operated on period charter by oil companies to conclude that average speed of operation between June and December last year was reduced from a potential top average of 16 knots to 11.87 knots—a reduction of 27 per cent. Slow steaming tankers and combined carriers are thereby deduced to account for 62.6m. dwt of slack capacity.

Time lost at ports is also difficult to evaluate, but Jacobs says that more than twice the normal four days waiting continues to be normal. One oil company is reported as saying that there was a 25 per cent. deterioration in waiting periods between the first and second halves of last year.

The broker's view of future prospects is that the VLCC surplus could well last for another seven to ten years, but that obsolescence among smaller classes of crude and product tonnage will produce pockets of demand much earlier.

Because of the recent failure of the UN agency, IMCO, to accept compulsory segregated ballast for tankers and a consequent removal of about 15 per cent. of each ship's capacity, Jacobs foresees the possibility of "severe economic and political consequences for the capitalist system within the next decade," unless some other pressure can be brought to bear on the market.

In the market, last week's shortened period of trading produced few fixtures worthy of note. Galbraith Wrightson comments, however, that the rate of scrapping has started to slow down again, mainly because of congestion in the breaking yards. In the last few weeks, 81 tankers totalling 4.25 dwt have been sold for demolition.

HOME NEWS

Report urges more promotion of Merseyside

BY RHYS DAVID

AN ACTIVE approach to "selling" Merseyside as a site for industrial investment, based on the substantial assets of the area, is recommended in a preliminary report drawn up by PA Management Consultants for the Industry Department.

The report, into problems in the Inner Merseyside area, rejects the view that the existence of constraints is serving to hold back investment, though it is accepted that the area now has a serious "image problem."

Land, skilled labour, and finance—often thought to be in short supply—are available, the report says, making it possible to accommodate most types of development.

Dealing with skills within the population, the report makes the point that the classification which will appear in the official records is usually that of the last job held.

Many people will have been forced to hold less-skilled jobs than they are capable of, and half the people on Merseyside registered as unskilled have at one time or another been in skilled employment, the report claims.

The report, which will be followed by fuller findings later, also says that the wide range of incentive schemes now available—of which more than 40 were counted—means there are few viable projects which could fail to attract backing.

Land is more of a problem within the inner urban area, though clearance is making sites available; but in the county areas as a whole there are no land problems.

The survey was commissioned by the Industry Department last November to develop a programme which will lead to the creation of extra jobs before the latest round of redundancies on Merseyside.

These redundancies threaten to add at least another 7,000 to the 90,000 now on the unemployment register.

Apart from examining possible constraints, the team has looked at the experience of other ports and has also been working on short- and long-term action plans.

One preliminary conclusion—anticipated to some extent in other reports—is that the area should do more to find out the type of venture which could succeed.

The report says that competition for available investment is now intense, and recommends that the development authorities on Merseyside should analyse on the basis of facilities available what products could be made in the area.

Feature Page 12

Hotpoint plans factory in Wales

HOTPOINT, the subsidiary of British Domestic Appliances, is considering sites for a new plant in North Wales.

The company, which has a factory at Llandudno Junction, is proposing ot expand production of washing machines. It has looked at several sites suggested by Clwyd Council in the Rhuddlan area and is hoping to begin construction of the new plant within the year.

The plant will provide 600 to 800 jobs, mainly for men, in a county which has the highest unemployment in Wales—11 per cent.

The council is also negotiating with a food processing company to take over the Wholesale Co-operative Society's former creamery at Corwen, which closed in 1976.

Selsdon snub for Leyland

DIRECT Government aid for British Leyland should end, the Tory Selsdon Group urged yesterday. Instead, the Government should help the company raise capital on the market.

The group's statement coincides with its publication of a pamphlet, Industry For The People.

It suggests: "As a first step, Parliament should resist the company's current plea to have greater freedom over the spending of taxpayers' funds. If the company is to be financed out of taxation it cannot expect to have the money without strings.

"We therefore urge the Government to assist this process by giving partial guarantees to investors to help the company raise money on the market."

Higher bank charges hint

BY MICHAEL BLANDEN

RISES IN bank charges are likely to be sanctioned by the report due to be published shortly by the Price Commission.

It is expected that the Commission will accept the statements by the banks that in many areas the costs of their services to customers are not covered by the charges.

It will be surprising if the Commission does not take the opportunity to offer criticism of the structure of banking charges and costs. One suggestion is that the banks offer interest on current accounts.

The Commission's report, expected to go to the Government shortly and be published about the end of this month, is one of two important documents which will bring the banks into sharp focus in the next week or two.

The first, expected soon, is the banks' final evidence to the Wilson Committee on the financial Institutions. Among other points, it will set out arguments already presented by the banks in a letter to the Bank of England criticising what they regard as unfair competition of building societies.

The banks say that fiscal and other advantages enjoyed by building societies distort the savings market in their favour leading to a misallocation of resources.

Wilson points

The fiscal benefits include payment of tax at a composite rate lower than the basic tax rate; a lower rate of corporation tax; exemption from capital gains tax on certain investments and the ability to offer Save as You Earn facilities.

They think that the societies gain by not being subject to monetary and credit controls applying to banks, and will have a further advantage by being excluded from the planned deposit protection fund for deposit-taking institutions.

The arguments against the building societies' position, however, will be presented in the much wider context of an extensive and thorough examination of the banking system expected to provide a major text for the Wilson Committee.

A main theme will be to develop the points in the banks' preliminary evidence last year for according fiscal parity to all forms of savings outlets, including national savings, and assurance companies.

The banks maintain that competition for funds should be on an equal basis, with any special support, which the Government wishes to give for specific areas of economic activity, being given to the final user of funds, such as the home owner, rather than the intermediary institutions.

Stockbrokers forecast growth in business

By Our Economics Staff

A FAIRLY vigorous improvement in business activity is expected during the next six to nine months by City stockbrokers Fielding, Newson-Smith.

Retail sales are expected to strengthen after the Budget, and public spending should increase because of a planned 4 per cent. volume increase and mounting political pressure to avoid a third consecutive year of massive shortfall.

The trend of inflation is now about to reverse. Input costs have turned up because sterling has peaked and currency uncertainties are generating hedging activities in dollar commodity markets and putting temporary upward pressure on price levels.

With an acceleration in labour costs from about 7 per cent. to about 12 per cent., the trend in wholesale prices is expected to turn up within the next few months and may be accelerating at the turn of the year.

"The year-on-year inflation rate (Retail Price Index) will probably get down to just under 7 per cent. around June and will be around 9 per cent. by the end of the year," the company says.

Rules for sterling brokers ready soon

BY JAMES BARTHOLOMEW

DRAFT RULES for a new sterling money brokers' associations under the aegis of the Bank of England are now near completion.

Money brokers act as intermediaries between those who want to borrow and those who want to lend money, or those who want to buy and sell currencies.

The have direct telephone lines to hundreds of banks and try to keep in touch with the whole market. So when a bank wants to deposit money, a brokers aims to find almost immediately the best interest rate available from other banks wanting to lend.

The new association would be the sterling equivalent of the existing Foreign Exchange and Currency Deposit Brokers Association whose practices are being examined by the European Commission following objections from the money brokers Sarabex.

The need for an association to regulate broking of sterling loans and deposits was recognised by the Bank as long ago as 1972-73.

Various bodies, notably the Scottish Co-operative Society, found themselves in difficulties after ill-judged forays into the sterling market. There were also some practices which were considered undesirable or unethical.

Since then, one working party and two committees have examined the problem and possible solutions. Now, at last, the draft is expected to be agreed with interested parties this summer.

But the Bank does not consider the delay too serious, since members of the market have been aware for some years of the lines on which the rules were being drafted, and have largely fallen in with them already.

The draft rules are believed to have some degree of similarity to those governing the foreign exchange and currency deposit markets.

Standards

For example, where London banks use brokers, they will have to use members of the new association.

But since the sterling market is more diffuse than the foreign exchange market, the rules are more flexible.

Direct dealing between principals (that is, without the use of any broker at all) will be permitted. The code of conduct will only apply where a bank is one side of the bargain.

The bank hopes that the standards of behaviour required only for certain types of transactions will nonetheless spread to the rest of the market where they do not officially apply.

Clarification of the association's relationship with stockbrokers who have money broking activities and with local authorities are among the outstanding problems.

A level will have to be agreed below which a stockbroker's money broking turnover will be too small for him to have to join the association.

The method by which local authorities will sponsor member brokers also has to be finally agreed.

The method by which the Bank has gone about creating a regulatory framework for the sterling market is completely in line with its previous regulation of the foreign exchange market.

It has gone to great lengths to obtain consent and self-regulation of the market.

This is in contrast to the Continental method which is to lay down the law and enforce it through official government agencies.

The difference in approach is to some extent the cause of the European Commission's apparent difficulty in dealing with Sarabex's complaints about the London foreign exchange market.

The joint standing committee which has formulated the draft rules comprises five money brokers, four bankers (the principal users of the market) and one member of a discount house. Only the chairman is a representative of the Bank of England.

'Aggressive' financial marketing needing

BY NICHOLAS COLCHESTER

IT IS no longer enough for providers of finance to argue that funds are available but that industrial borrowers are not forthcoming, says Mr. John Bolton, chairman of the committee responsible for the 1971 Report on Small Firms.

He told the Wilson Committee that financial institutions should market financial products and services "aggressively."

Mr. Bolton told the Wilson Committee, which is studying the financing of industry, that suppliers of finance—particularly the 13,000 branches of British banks — should be "almost evangelical" in providing finance and "urging people to have a go" in business if Britain's unemployment problem is to be solved.

He argued for a deliberate bias in favour of small firms because it seemed that small companies provided jobs at a lower capital cost than large companies. If the average British industrial job required capital investment of about £20,000, then Britain's unemployment problem was going to cost £40bn. to solve.

This rough reckoning showed the sort of commitment needed, he told the Committee.

Small companies provided 30 per cent. of British jobs and 20 per cent. of the GNP yet they probably accounted for only 0.5 per cent. of the industrial investment of the financial institutions that new took a major part of the nation's savings. The impact of only a small increase in this percentage would be very significant and would not conflict with such institutions' fiduciary responsibilities, he said.

He conceded that the conclusion of his 1971 report—that Government should leave small firms to "get on with it" without interference—was no longer valid.

It was now apparent that the sector needed a big push from the lenders and from Government, together with an economic climate and tax provisions that provided positive encouragement.

There was already a movement in this direction but it was "still miles below the level we've got to pump it up to to solve our unemployment problem."

Chemical producers see loophole

BY KEVIN DONE, CHEMICALS CORRESPONDENT

U.K. CHEMICAL producers are confident that a let-out clause in the recent EEC anti-pollution directive will allow them to escape heavy investment in extra measures to protect the environment.

The directive is intended to improve the standard of effluent discharged from titanium dioxide plants by progressively reducing pollution from the waste product known as "red sludge." The chemical is a pigment widely used in paints, plastics and printing inks.

However, the directive could inadvertently give U.K. producers a competitive edge over other European manufacturers, particularly the Italians and French, based on the shores of the Mediterranean.

Throughout the Commission's deliberations Britain has maintained that plants based alongside estuaries do not need special measures to ensure that their waste does not damage the marine environment.

The main producers in the U.K.—Tioxide (jointly owned by ICI and Lead Industries) and Laporte, which have production located on the Humber and Tees —are now assembling evidence on this in conjunction with the Department of the Environment to submit to the EEC Commission.

According to Mr. John Richardson, secretary of Tioxide, the acid effluent discharged into the Humber is dispersed into tiny particles by the flow of water and thus effectively neutralised.

In the slow-moving waters of the Mediterranean, however, the effluent cannot disperse and forms into solid red mud.

The Government, in earlier negotiations with the Commission, endorsed the stance taken by U.K. chemical producers.

The alternative to depositing waste in the sea is to neutralise the discharge at the plant, but this presents big problems of disposing of large amounts of solids on land. This difficulty is now confronting the main Italian producer, Montedison.

The U.K. Government has six months to tell the Commission why it feels domestic producers should be exempted from the pollution directive. If successful, it will then have to report every three years on its progress in reducing "red sludge" pollution along British coasts.

Mason unlikely to visit Dublin

BY GILES MERRITT

MR. ROY MASON, the Northern Ireland Secretary, is now unlikely to visit Dublin for talks on Ulster before the April 7 EEC Heads of Government summit at Copenhagen.

At the summit, Mr. James Callaghan and Mr. Jack Lynch, the Irish Premier, are expected to discuss the recent deterioration in Anglo-Irish relations.

The meeting arranged for last Thursday in Dublin between Mr. Mason and members of the Irish Cabinet was unexpectedly cancelled following the death of Mr. Cearbhall O'Dalaigh, former Irish President.

Mr. Mason had been eager to cover detailed security and political questions before the two Prime Ministers' Copenhagen contact. But in the short time remaining it appears that his schedule and that of Mr. Michael O'Kennedy, Ireland's Foreign Minister, almost certainly rule out a meeting in the near future.

In the absence of the Dublin meeting, tension between the Irish and British Governments is likely to remain undiminished at least until after Mr. Callaghan and Mr. Lynch have met.

North Sea stake for Amoco

By Ray Dafter, Energy Correspondent

A GROUP of offshore companies, led by Amoco and British Gas, has gained a stake in a North Sea block close to the Beryl and Frigg fields.

The group is about to sink the first exploration well on the block—number 9/4—as part of the "farm-in" agreement. The well will be drilled in a water depth of 380 feet by the semi-submersible rig Sedco 135H.

It is understood that no cash is involved in the deal although the Numac-Siebens group, which was originally awarded the licence, will retain an unspecified share in the proceeds if a commercial reservoir is discovered and developed.

A feature of the deal is the involvement of British National Oil Corporation. It holds a 16 per cent. interest in the Amoco-British Gas group. However, the corporation has retained the option to relinquish its stake if and when a decision is taken to develop any discovery.

It is now being assumed within the offshore industry that the corporation will insist on being offered a share in any future deals relating to changes in ownership of offshore licences.

The Amoco-British Gas group comprises: Amoco, as operator (26.38 per cent.); Gas Council (Exploration) (35); BNOC (16); North Sea Inc. (11.31) and Amerada Petroleum Corporation (11.31).

The Numac-Siebens Group comprises: Numac (11.25 per cent.); Siebens (47.5); Canadian Homestead (11.25); Dome Petroleum (11.25); BP Canada (11.25); North Sea Oil and Gas (5); and Westburne International (2.5).

LABOUR NEWS

Shipyard jobs fight looms on Clydeside

BY RAY PERMAN, SCOTTISH CORRESPONDENT

UNIONS on Clydeside are preparing to resist any demand from British Shipbuilders for redundancies of steelworkers at the Govan and Scotstoun yards.

Mr. Archie Gilchrist, managing director of the Glasgow yards, said yesterday that the company was seeking ways to "reduce the imbalance" between a surplus of steelworkers and shortages in outfitting trades.

Though he would not give figures, it is understood that up to 200 jobs may be involved.

Yards may have a problem keeping the full work force of 4,500 occupied in the period between completion of the series of bulk-carriers for the United Arab Shipping Company and the beginning of construction work on the 11 ships for Poland.

Several hundred men would be affected for about four months.

"We are discussing with the negotiating committee of shop stewards ways in which the necessary long-term balance of our work force can be achieved, and how we may provide alternative work for those affected by the gap in our current building programme," Mr. Gilchrist said.

Unions have said they will not tolerate redundancies at the two yards.

Mr. Archie McAlpine, Clyde district secretary of the Confederation of Shipbuilding and Engineering Unions, said they were prepared to discuss manpower problems "intelligently" with the management.

"But there is no way we can accept either redundancies or suspensions," he declared.

Our Glasgow Correspondent writes: The steel unions again face apathy from the workers of a plant faced with early closure under British Steel's programme of phasing out older works.

At the week-end the 1,100 employees at Glengarnock, Ayrshire, agreed to back a campaign by the Scottish TUC and the Iron and Steel Trades Confederation in Scotland to save their jobs.

But their response at a mass meeting was lukewarm. Afterwards the local Labour MP, Mr. David Lambie, Ayrshire Central, said that if the campaign did not secure guarantees about Glengarnock's future in four or five weeks it would lose support of the bulk of the workers.

The works openhearth furnaces, employing about 400 men, will be closed soon under BSC's accelerated Beswick programme.

The unions have mounted a stiff rearguard fight to save the associated rolling and finishing mills.

Flexible pay policy for teachers

BY MICHAEL DIXON, EDUCATION CORRESPONDENT

THE 246,000-STRONG National Union of Teachers decided at its annual conference at Blackpool yesterday to stay patient about cuts in living standards, despite admissions by its executive that the teachers' new 10 per cent. rise would still leave them 25 to 50 per cent. worse off than in 1974.

Though the Government last week refused teachers a "firemen's promise" raising them above any incomes guidelines next year, the conference overwhelmingly adopted a pay policy without hard-and-fast demands on improvements in real earnings.

It would be "totally impossible" for the union to achieve restoration of staff's 1974 pay position in the 1979 negotiations, Mr. Jim Murphy, chairman of the NUT Salaries Committee, told the 2,000 delegates.

Earlier, Mr. Fred Jarvis, the general secretary, called on Mrs. Shirley Williams, Secretary for Education and Science, to quell the few local education authorities still resisting the change to fully comprehensive secondary schooling.

He said political parties must not indulge in a "spurious auction" of such educational questions as parental choice in their programmes for the coming General Election.

Mr. Jarvis's point was swiftly contradicted by Dr. Keith Hampson, a Tory education spokesman, when he told a sectional meeting of the conference that greater attention to parents' wishes would be a central feature of the next Tory Government's policy.

"The professional freedom of teachers should be safeguarded, but if the methods they use or their curriculum are not liked by some parents, then parents must have the right to ask for a different school."

Dr. Hampson added that Conservatives would encourage local authorities to designate some comprehensives as "Magnet" schools, which in addition to their normal curriculum would develop specialities designed to attract children with particular gifts.

"Foreign languages face such a crisis in this country that they would be an obvious concentration for magnet schools; maths would be another; or it might be music, the arts or design.

"In turn each magnet school could be linked, or twinned, with a neighbouring university or polytechnic, which would act as resource centres and add that extra degree of stimulus."

Strike still halts ferries

BY OUR LABOUR CORRESPONDENT

TOWNSEND THORESEN ferry services from Felixtowe were still halted yesterday because of a dispute over an assistant steward dismissed for a drugs offence.

The action, which has also hit the company's sailings between Scotland and Northern Ireland, has prevented any Townsend Thoresen Easter services sailing from Felixstowe.

National Union of Seamen officials say that the man's dismissal is justified, but the local committee is demanding his reinstatement.

Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● COMMUNICATIONS

Checks calls for smaller users

THOUGH relatively few companies in Britain know as a matter of plain fact just how much it is costing them to run their telephone and other communications side, enough of them are concerned to the extent that they are prepared to buy "supervisors" which will take an electronic eagle eye view of what is going on in the various departments of the company and present a day-to-day analysis of telephone traffic.

This applies to the large organisations which have bought and installed 40 TDA systems from Interscan over the past 18 months to apply to PABXs of between 100 and 16,000 lines, but averaging 400 lines. The experience of users has been that savings in function of total telephone charges have run at 16.5 per cent. and while, initially, these could have been ascribed to the Big Brother syndrome, the savings level has held up well beyond the time scale the psychologists would normally have expected, mainly because the system also singled out under-employed lines.

Many companies unable to use TDA because their own internal telephone systems were too small have come to Interscan to ask whether TDA could not be scaled down. And now, the company is on the point of launching a smaller supervisor which will handle exchanges up to 128 lines

But because the equipment that monitors calls costs, in this instance, about £6,750, it is pertinent to pose the question of where the break-even comes. The answer is about 70 lines on the basis of an installation where phone charges are about £20,000 a year from the PO and where a monitor would save something like 20 per cent. of the total bill over the first two years so that amortisation could be expected over, say, three years.

There are many companies which fall into this category and Interscan has only one serious contender.

Its Telaccounter micro-computer controlled logger is connected directly into the switchboard and detects and records activities on extensions, exchange lines, private wires, off the hooks, on the hooks, dialled digits and rings.

But conversations are not recorded, only dates and times and the information thus captured can be printed out immediately or analysed over preset periods.

More from Interscan Communications Systems, Slough Trading Estate, Slough. 0753 35523.

All-purpose paging

DESIGN AND marketing philosophy behind the latest Philips personal paging system has apparently been to provide the prospective customer with such a variety of facilities and options that his present and future needs cannot fail to be met.

Called the DP6000 this digital system can for example, be operated with a low frequency loop, vhf, or uhf transmitting arangements. All the receivers are narrow band, avoiding interference from other systems.

The easily pocketable personal units can be supplied in a number of forms: to the basic receiver can be added a signal lamp giving visual as well as audio "bleep," a one digit or five digit display, and a talk-back transmitter.

Up to 11 message meanings can be obtained with the single digit: five digits offer an almost limitless number, making it possible to ascribe phone numbers, machine numbers, room numbers and similar meanings to the digits. The addition of the talk-back unit turns the unit into a two-way radio system.

Of great convenience is a memory: when received, the digital message goes direct to store and can be retrieved when needed—there is no need to remember a five-digit number. This facility functions even when the unit is nominally out of use in its storage rack; messages can be retrieved within 40 seconds of removing the unit from the rack.

There are three kinds of control desk, the most advanced of which is microprocessor controlled so that it can be programmed to suit needs precisely. It has eight inputs for external contacts which, when actuated cause a number of key people to be paged automatically. A digital display on the panel shows the source of the call.

The external contacts might be intruder detection switches, the bedside push buttons of a hospital or temperature-operated switches in machinery. In each case the desk's programming automatically ensures that the appropriate people are paged to deal with that particular problem. With extra equipment, up to 1,000 such contacts can be accommodated.

With a telephone coupler or a coupler for the Philips M100 intercom system, paging calls can be transmitted directly from any internal telephone or intercom station. Such calls can include digits and single or two-way speech as well as an automatic "contact me" facility which allows the paged person to contact his caller by using a standard number on the nearest telephone or intercom station. Alternatively, of course, the digital paging function can tell the paged person which number to call.

● DATA PROCESSING

Developer for micros

MECHANICAL engineering department at UMIST has developed a software program enabling users of PDP-8 computers to stimulate the functions of the Motorola M6800 microprocessor.

The program will be useful to any organisation having access to a PDP-8 which wishes to develop microprocessor equipment, consider its possible applications, or demonstrate and teach microprocessor programming techniques without immediately investing in special-purpose hardware.

Typical applications would be found in research and education, in process control and in the design and use of instrumentation.

The only prerequisite to the use of the program is that the PDP-8 should have at least 8K words of memory, and paper tape input, so that any microprocessor program under test can be generated on paper tape by cross-assemblers already available on the market.

University of Manchester Institute of Science and Technology, POB 88, Manchester M60 1QD. 061 236 3311.

CWT links with BA

IAL, the international aviation and communications technical services group belonging to BA, has acquired the majority shareholding in Computer World Trade (CWT).

IAL has been bidding for more computer-based business and has been examining various methods of extending its expertise in computer maintenance.

CWT has wanted to expand its services into computer based communications systems, especially the third party maintenance business of its subsidiary CFM (Computer Field Maintenance), and IAL is particularly well-known in this area of communications.

The new arrangements do not affect the BCL operation of small business machines which are hardly within the sphere of competence of IAL. BCL thus continues as a subsidiary of CWT.

IAL, Airadio House, Hayes Road, Southall, Middlesex, UB2 5NJ. 01-574 2411.

● PROCESSING

Finishes work quietly

TO MEET increasing demand for faster and quieter machines, Osro of Hemel Hempstead has completely re-designed its Spirotron "O" vibratory finisher. The new model will be on display for the first time, simultaneously, at the Hanover Fair and Machpro 78, Birmingham.

Spirotron "O" differs from standard in that the processing tub is a flat bowl causing parts to rise only in the separation sequence. It is thus a better choice where a gentle process is desired. The "O" machine is a robust model with built-in mechanised separation and discharge of components under manual or automatic control. It can operate a range of processes including de-burring, de-scaling, radiusing, edge-breaking, deflashing and polishing and changes in process requirements can be effected quickly and simply.

Principal benefits of the improvement are that the bowl has been engineered to accept acoustic cladding as standard, thus giving the unit considerable appeal in factories where noise pollution is a consideration.

Additionally, by extending the length of the screen Osro has increased the separation area by 10 per cent., thus giving the equipment a greater range of components that can be effectively separated from the media and enabling faster process cycle for these components. The flap area has also been re-designed having the effect of improving the separation time and bringing the process cycle for most components to below 10 minutes.

Osro is at Trubro House, Mark Road, Hemel Hempstead. 0442 42181.

Designed and developed entirely at Hemel Hempstead is this new CMC intelligent display terminal which is to be incorporated into Microdata systems sold in North America. The latter organisation, which last December acquired a majority shareholding in CMC (Computer Machinery Corporation), intends to set up production lines in Britain for Microdata's "Reality" computer-on-a-desk systems. The first delivery of the terminal from Hemel Hempstead was made in December to High Peaks Borough Council in Buxton. The lines for the manufacture of Reality units could be up and running in May this year, which will be good news for the local authorities in Hemel Hempstead where pressure on local trades unions and local authorities tends to fluctuate wildly as companies open up and close down.

● MATERIALS

Sunlight damage

MONSANTO has broadened its ABS plastics range with the introduction of a new ultra-violet stabilisation system which can be incorporated in all Lustran ABS.

The company has initially introduced two UV-stabilised grades: Lustran HR 850L and LN 244L. These grades were designed especially for auto applications and combine toughness and impact strength with good heat resistance.

Ultra-violet radiation has three principal effects on ABS plastics: it causes discolouration (particularly bright colours); a whitening of black ABS in contact with water, moisture, or steam; and degradation of impact properties.

Monsanto, 10, Victoria Street, London SW1H 0NQ. 01-222 5678.

● TEXTILES

Grinding the cards

ONE OF the basic processes in the textile industry is carding, during which the rough bundles of fibre are teased or straightened to form a "sliver" which is subsequently spun into yarn.

The card machine consists of a large cylinder "clothed" with a fabric cover closely studded with short wire points. The cylinder picks up the bundles of fibre, and the wire points tease the fibres so that they lie in the same direction. The cylinder passes under either a "flat" or another smaller roller also covered with wire points.

Because the fibre wears down the wire points, these have to be periodically sharpened. One of the latest machines to carry out this maintenance is the Peter Wolters universal grinding unit, from West Germany. It is mounted on the card machine, taking the place of the flat, and is stated to produce a concentric and cylindrical accuracy to within 0.02mm.

Among advantages claimed for the grinder are that the wires are levelled and sharpened without leaving barbs, that the head is traversed at an accurate level, and that traversing speed is not related to grinding speed (which can reach 20 metres/sec.) as in conventional equipment. Traverse and grinding wheel are driven by separate motors.

Marketing in the U.K. is by Allertex, Lower Paradise Street, Bradford, West Yorks. BD1 2HP (0274 23783).

● INSTRUMENTS

Cools a small item

PUT on the market by Oxford Instruments is a cooling device that enables small samples or small devices to be reduced to a temperature of 70 deg. K without the inconvenience of the normal technique of bathing them in liquid gases.

The head, 250 mm long and 25 mm diameter, is fed at its tip with helium gas under pressure; the temperature drop is produced by expansion of the gas in normal "refrigerator" mode. The test piece is screwed to the end of the head, good metal-to-metal contact being required. The head is fed from a compressor over flexible lines.

Head and test piece would normally be in vacuo and the pull-down to 70K then takes about ten minutes. In air, the drop produced is less.

Likely applications are in solid-state detector design and testing, and in spectroscopy where long term experiments can be carried out using an optical vacuum case accessory pack.

More from the company at Osney Mead, Oxford OX2 0DX (0865 41456).

Building and Civil Engineering

£7m. South American pipeline project

A LETTER of intent for a £7m. contract for the shore approach works of a gas pipeline on either side of the Magellan Straits in the southern-most tip of South America has been received by the Land and Marine Engineering Organisation, a member of the Royal Bos Kalis Westminster Group NV.

The major part of the work will be carried out at the southern shore approach on the island of Tierra Del Fuego where a 7 km. pipe trench will be dredged by Bos Kalis Westminster's flag ship Prins der Nederlanden—a 10,500-ton trailing suction dredger with a hopper capacity of almost 9,000 cubic metres—in preparation for laying a 24 inch gas line.

Land and Marine's work barge Odin will supplement this operation by grab dredging the more difficult inshore sections, and will also be used as a support barge for Land and Marine's trenching machine, SL3, which will be employed to lower the pipe after installation.

The inshore 2½ km. of pipe, weighing over 750 tonnes, will be pulled from the laybarge using two 200 tonne shore based winches. This will be one of the heaviest pulling operations undertaken by Land and Marine. At the shorter northern approach, 800 metres will be dredged with a pull length of 700 metres.

The dredger has sailed for Magellan and is to commence pipe trench dredging in mid-April, and she will be closely followed on site by work barge Odin. The dredger was chosen for this contract owing to the need to remain at sea for periods of up to 35 days and to dredge in water depths of up to 35 metres.

Work will commence on site very soon and is due for completion late in September.

Aids the designers

ANSYS, a finite element analysis system developed in the U.S. by Swanson Analysis Systems, is available in Britain through SIA.

It is a powerful, engineering-oriented system suitable for structural analysis and heat transfer analysis in their most complex forms. Both can be carried out in one to three dimensions. Coupled thermal-fluid flow capability, thermal-electric capability and wave motion analysis capability are included.

The methods can be applied to three-dimensional solids, shells and complex pipework and output is widely varied, according to requirements, via Tektronix terminals or Calcomp drum plotters. More from SIA on 01-730 4544.

Hill Price Davison, already well known for its Eclipse survey package, has added to this mini-computer-based system ability to work on road surfaces, surface drainage and contouring.

The consultancy also has done the work needed to allow tapes from intelligent theodolites such as the Wild Heerbrugg TAC 1 to be interpreted and plotted directly by computer.

The group has also negotiated arrangements under which a series of civil engineering structural design programs can be offered on tape or disc. Translation from one machine to another is possible and the company would welcome discussions with building organisations who have developed their own suites in this area.

More from Hill Price Davison on 01-381 3266.

Test laboratory accepted

TAYLOR WOODROW research laboratories has become the first in the construction industry to be accepted under the British Standards Institution's system for the registration of test houses.

Under this scheme, test houses which apply for registration are visited by an assessment team of experts in testing and quality assurance. To achieve registration, performance is judged against criteria prepared by the Quality Assurance Council of the BSI.

Two of the three certificates of registration granted cover the testing to British Standards of a range of materials including prestressing and reinforcing: steel, concrete, bricks, blocks, asphalt, bitumen and sealants.

Most significant is the third certificate for the Measurement of Properties and Specialist Skills. This covers special types of testing and analysis outside the scope of standard BSI testing.

Fitting out a store

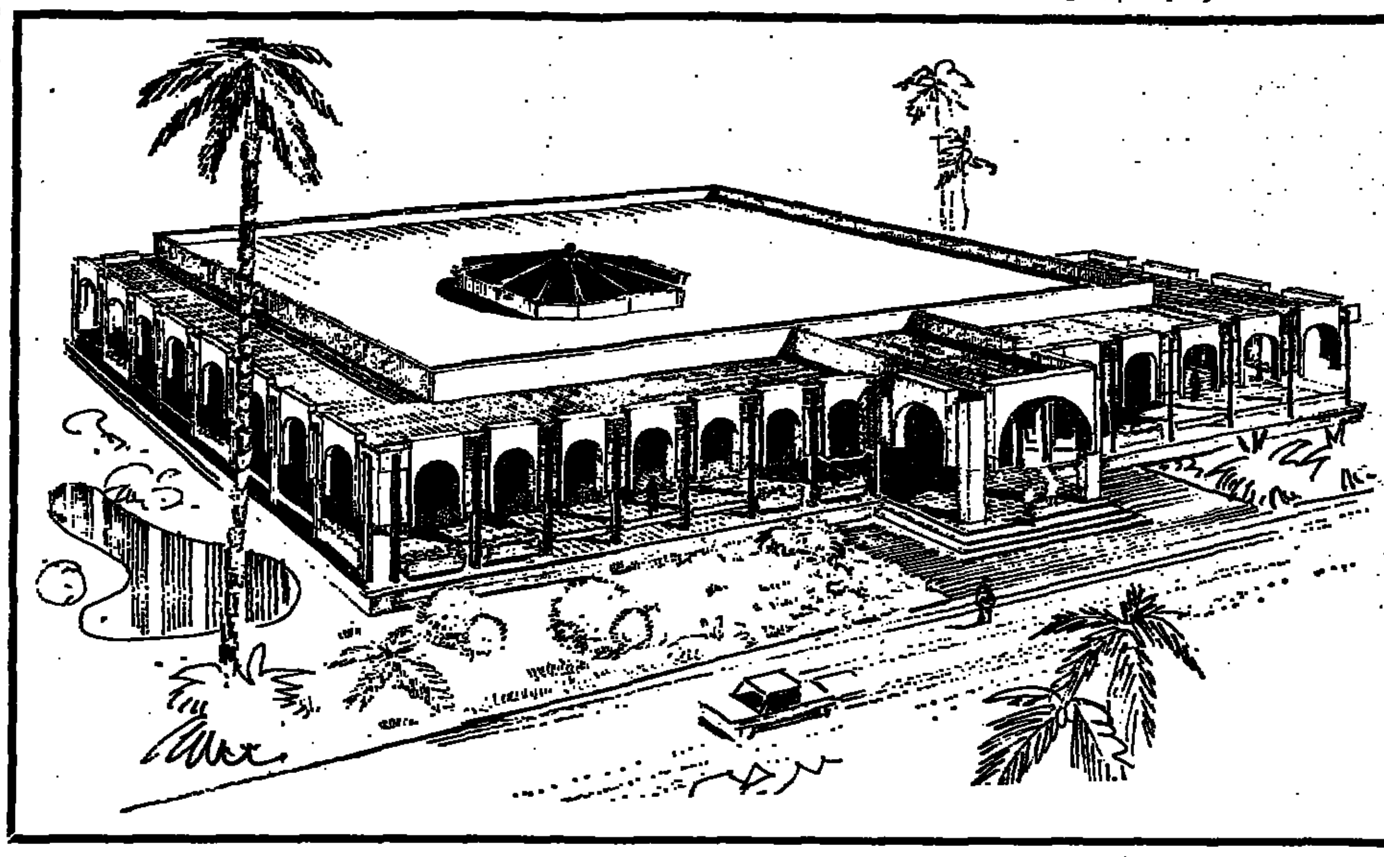
TAYLOR Woodrow Construction (Midlands) has received a £1.8m. contract from the Littlewoods Organisation for the fitting out of a new store at the Arndale Centre Development, Shudehill, Manchester.

The store has three floors offering a sales area of about 7,500 square metres. The administration area is at second floor level and serviced with lifts from the basement unloading dock. There are to be seven escalators, three lifts and ten staircases within the four-floor store area.

New airport terminal

BRITISH AIRPORTS Authority has commissioned architects Scott, Brownrigg and Turner to design the proposed fourth passenger terminal which is to be on the south side of London Heathrow Airport.

The terminal is needed to relieve congestion in the central area which handles about 30m. passengers a year. The new terminal, which may cost £50m. or more, will enable the airport to handle the further 8m. passengers likely by the 1980s.



An impression of a "medical pavilion" being built in Abu Dhabi by Bernard Sunley and Sons (Middle East) SARL for Sheikh Zayed bin Sultan al-Nahyan, president of the United Arab Emirates and Ruler of Abu Dhabi. Work on this £2¼m. project has started. It will be fitted out with the most advanced medical equipment, which is being designed and supplied by Interplan Hospital Projects. Architects are Building Design Services of Abu Dhabi.

Awards to Bovis

FOLLOWING its completion of a four-storey building in Woking Street, Cardiff, for Leeds Permanent Building Society, Bovis Construction has been awarded a further contract to integrate a substantial area of the premises with the adjoining UDS (Mackross) store.

Under the contract, which is valued at about £450,000, piling is to be carried out within the store for a steel frame to carry existing floors, prior to demolition of the party wall. The new building will then be fitted-out to form an extension to the store.

In London, Bovis has won the fitting out contract for the Bank of Scotland's overseas department and international division at its recently-completed Broad Street House, Broad Street, E.C.2.

This contract, which is valued at about £140,000, covers two floors of the building, including the first floor dealing room for international currency transactions.

Pipework at chemical plants

UNITED KINGDOM Construction and Engineering Company Liverpool, part of the WGI Group, has won contracts for work in connection with chemical plants for British Industrial Plastics and Imperial Chemical Industries.

The largest, valued at £1.4m., is for the construction of a PVC resin plant for BIP at Newton Aycliffe, County Durham.

This contract calls for the erection of about 700 tons of plant, vessels and pumps, together with the fabrication and erection of about 15 miles of pipework in carbon steel, stainless steel and aluminium. Fabrication will be undertaken at U.K. Construction's Doncaster works. The contract is scheduled for completion by mid-December, 1978. Crawford and Russell International is managing agent on behalf of British Industrial Plastics.

U.K. Construction has also won a contract from Foster Wheeler for the fabrication of about 21 miles of carbon steel and stainless steel pipework for ICI's petrochemical complex at Wilton, Teeside. Valued at more than £400,000, work is due to start in May for completion early in 1979.

Keeping in the heat

TO CUT the loss of heat through the floor of its civic centre to the underground car park below, the London Borough of Enfield called in Crane Fruehauf Insulation, which applied a layer of special foam over the whole ceiling area of 85,000 feet, above the garage.

The company used the same formulation of sprayed polyurethane as is applied to refrigerated vehicles to keep them cool. In this instance, the foam layer was built up to 30mm. and an advantage is its Class 1 surface spread of flame rating. More from Crane on 01 848 0225.

With the same objective of keeping heat in and cold out, Schlegel (U.K.) has extended its range of door and window seals based on a series of ingenious designs including vinyl sheathed polyurethane foam strip with a self adhesive edge and Shark Seal draught excluders with an aluminium carrier holding a polypropylene pile seal. Schlegel is at Hitchin 81 2812.

Flammable fluid store

MADE ENTIRELY from steel, with a capacity of 56 cubic feet (1.6 cubic metres), a transportable security vault for the safe storage of flammable liquids has been developed by Portasilo of York.

Called Flamvault, it is designed both to meet regulations concerning storage of such liquids, and also to prevent theft. Its main use will be to store bottles, canisters, drums, and jerrycans—for which there is a high rate of theft from garage forecourts, construction sites and factory premises. Up to 60 gallons of petroleum products in containers can be accommodated.

Standing 56 inches and measuring 36 x 50 inches, the door of the unit has a double locking mechanism and security hinges. The base is fabricated in the form of a sealed tank to contain accidental spillages or leakage from the containers.

More from the company at New Lane, Huntingdon, York (0904 21951).

A better crawler

UPGRADING OF several aspects, particularly cab comfort and ease of control, has been carried out on the 23 tonne crawler excavator (the 890) made by Hymac, a Powell Duffryn company.

All digging functions are generated by power-assisted controls built into the arm rests. Pedals operate the slew hold brake and the secondary hydraulic service.

Improved lifting performance allows the excavator to handle a 0.76 cubic metre (1 cubic yard) bucket to its maximum 8 metre digging depth and 11.3 metre outreach.

More from the maker at 2 Bath Road, Newbury, Berks. (0635 46777).

IN BRIEF

● A £575,000 contract to re-construct and extend the Osea sewage treatment works at Maldon, Essex, has been awarded to the engineering division of John Laing Construction by the Anglian Water Authority.

● Mr. Martin Moroney, product manager of the aggregates and blocks division of E. H. Bradley Building Products, is the new president of the Concrete Block Association. Mr. Brian Horler, marketing director of Lytag is vice-president.

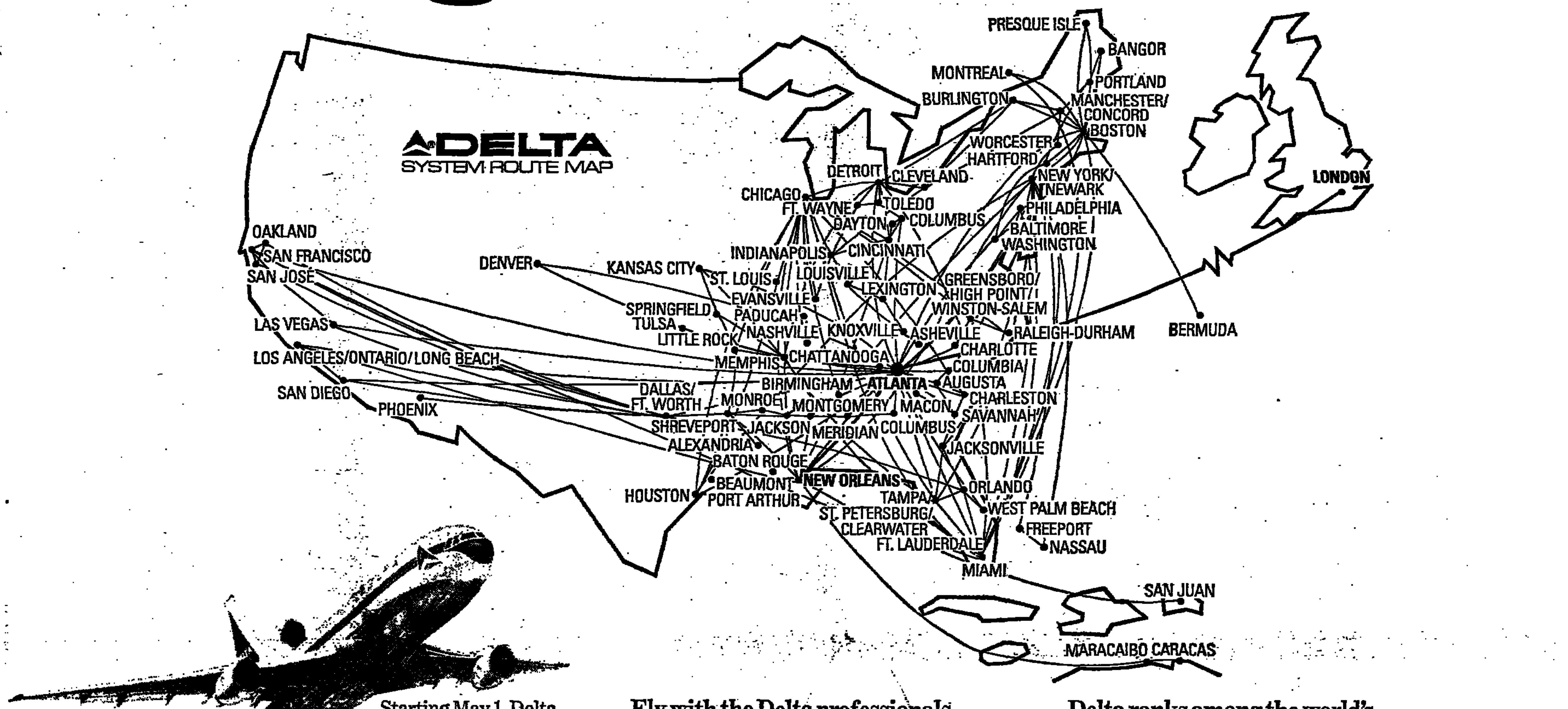
● Howard Algeemi Construction Company, an associate of John Howard and Co. International, has been awarded a £450,000 contract by the Office of Military Works, Abu Dhabi, for the demolition and reconstruction of two jetties at the naval headquarters.

● First edition of Middle East Construction Catalogue which lists products and services designed for the construction industry in the Middle East has been published by New World Publishers, Imperial House, Kingsway, London, WC2B 6UW. The publisher says 4,000 copies of the 350-page catalogue have been sent free to architects, quantity surveyors, consulting engineers and contractors in the Middle East, but copies can still be obtained price £10 (U.K.) or $US20 elsewhere.

● TAC Construction Materials has announced that it has developed a dust suppressant treatment for its Sindanyo asbestos-cement cut parts and machined components and will apply it from April 3.

هكذا من الأصل

Delta Air Lines presents first daily non-stop from London to Atlanta, Georgia –through to New Orleans.



Starting May 1, Delta Air Lines introduces the first daily non-stop service between London's convenient, uncrowded Gatwick Airport and Atlanta, Georgia, the "capital" of America's Southeast, best gateway to all the South. And Delta inaugurates the first through jet service between London and New Orleans, with no change of plane.

Delta's Flight 11 leaves London every day at 12:10pm and arrives in Atlanta at 4:25pm. After a brief stop, it goes on to New Orleans, arriving at 6:45pm. Coming back, Delta's Flight 10 leaves New Orleans at 2:45pm every day, departs from Atlanta at 6:30pm, and arrives in London at 7:20am. (All times are local times.)

Check in at Victoria Station

You may check in at the Gatwick check-in terminal in Victoria Station, select your seat and check in your luggage. Then board an express train to Gatwick and go directly to Delta's Flight 11. There are fast trains every 15 minutes from Victoria to Gatwick and the fare is £1.70.

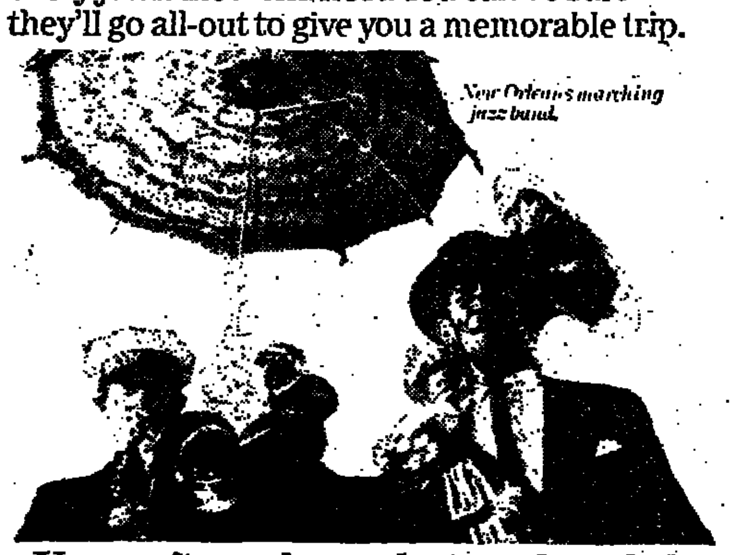
Enjoy Delta Medallion Service

You fly the Atlantic on Delta's Wide-Ride (TM) L-1011 TriStar with "living room" cabins 8 feet high and 19 feet wide, and all the luxury of a £12,800,000 superjet. And you experience all the

pleasures of Delta Medallion Service. Superb international dining in First Class and Economy, too. You watch a just-released film or listen to Delta's "Words & Music" programme on your private seven-channel stereo. (There's a £1.50 charge for headsets in Economy.)

Fly with the Delta professionals

Your flight crew in the cockpit and cabins are all Delta professionals with years of experience. They have logged millions of air miles, flown every jet in the Delta fleet. You can be sure they'll go all-out to give you a memorable trip.



New Orleans marching jazz band.

You can't purchase a lower scheduled fare to Atlanta

You don't pay a penny more for the convenience of flying Delta non-stop to Atlanta. No other scheduled airline can take you from here to there for less. For example, Delta's Budget or Standby single fare to Atlanta is only £76.

To take advantage of the Budget Fare simply pick up your ticket at least 21 days before the week you plan to leave. You'll receive confirmation of your travel time 7-14 days before the week of departure.

Naturally, there are special restrictions on all discount fares, which you can get from Delta or your Travel Agent. And the number of low-fare seats is limited, so we suggest you book early.

Excellent Delta connections in Atlanta

Delta flies to 79 cities from Atlanta, with more than 260 daily flights around the clock. You have easy Delta-to-Delta connections to all the U.S. Southeast, Southwest and West Coast. Delta has more Wide-Ride superjets from Atlanta than any other airline. And Delta has twice as many employees to serve you in Atlanta as any other airline.

Delta ranks among the world's largest airlines

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	To Atlanta	To New Orleans
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22-45 Day Basic Excursion Fare†	253.50	318.50
Regular Basic Economy Fare†	397.00	431.00
Regular First Class Fare	735.00	796.00

*Effective until June 30. Higher in summer.
†Effective until June 14. Higher in summer.
Fares and schedules subject to change without notice.

Atlanta, capital of America's booming Southeast.

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BUSINESS AND INVESTMENT OPPORTUNITIES

APPOINTMENTS

Changes at Great Universal Stores

Mr. W. S. Peacock, having reached retirement age, is leaving the Board of the GREAT UNIVERSAL STORES. Mr. Harold Bowman and Mr. Sydney Robin have been appointed assistant managing directors and Mr. J. P. Adderley has joined the Board. Mr. V. Watson, Mr. J. J. Cohen, Mr. E. M. Barnes, Mr. R. H. C. Pugh and Mr. D. C. Jones have been made associate directors.

★

Mr. J. Peter Frost has been appointed a director of TUNNEL HOLDINGS succeeding Mr. H. H. Draycott, who has resigned. Both are directors of Thos. W. Ward.

★

Sir Matt Busby, former manager of Manchester United Football Club, has joined the Board of EXECUTIVE FINANCIAL PLANNING and McMORROW MURPHY INSURANCE BROKERS. Both companies are part of the financial and insurance group headed by Mr. Mike Murphy, who was formerly manager for Irish Life Assurance in Manchester.

★

Mr. W. H. Westphal is to become chairman of the RENTOKIL GROUP after the annual meeting on April 28. He will succeed Mr. P. L. Burgin, who is retiring from that position but will remain on the Board.

★

Mr. J. E. Phillips has joined the Board of TRADE INDEMNITY COMPANY.

★

Mr. Keith Hainsworth has been appointed managing director of MILLER BUCKLEY DEVELOPMENTS, a subsidiary of Buckley Investments Group, following the resignation of Mr. R. Clempson because of his other business commitments. Mr. Hainsworth was previously a director of Bovis and Investment and Property Holdings.

★

Mr. Dennis Taylor, managing director of HEWLETT-PACKARD LTD., is to leave the company to develop his own business interests. Mr. David Baldwin, European instrument marketing manager, and Mr. Peter Carmichael, general manager of the manufacturing division at South Queensferry, will become joint managing directors.

★

Dr. Raymond C. Milward has been appointed technical director of JOYCE-LOEBL.

★

Mr. E. A. Burton and Sir Brian Massey-Greene has been appointed directors of COMMONWEALTH MINING INVESTMENTS (AUSTRALIA). Mr. R. I. J. Agnew, Mr. L. S. Freedman, Mr. J. P. Landrigan, Mr. T. F. Lanz, Mr. A. H. Loxton and Mr. G. J. Mortimer have resigned. Mr. J. M. McCrory has resigned as secretary and public officer and will be succeeded by Mr. R. J. Gout.

★

The CITY UNIVERSITY has appointed Dr. Raoul Franklin, Fellow and tutor of Keble College, and lecturer in the Department of Engineering Science at Oxford University, as Vice-Chancellor. He succeeds Dr. Edward Parkes, who is to be chairman of the University Grants Committee. Dr. Franklin will take up his new appointment in the autumn term.

★

Mr. Timothy E. Broadhurst has been appointed a director of H. J. SYMONS (AGENCIES).

★

Mr. Raymond Eccles has been appointed resident vice-president by CITIBANK TRUST. He is head of the company's personnel division based at Wembley.

★

Lord Wilberforce has been elected Chancellor of the UNIVERSITY OF HULL in succession to the late Lord Cohen of Birkenhead. Lord Wilberforce has been a Lord of Appeal in Ordinary since 1964.

★

Mr. K. F. Dibben has been appointed chairman of the BOWCOM ELECTRONICS in succession to Mr. P. G. F. Dibben, who remains a director.

★

Mr. Michael R. Griffiths has been appointed managing director of IGI SpA, Perugia, Italy. Mr. Griffiths is at present a principal with Towers Perrin Forster and Crosby, Inc., in London, and he takes up his new post next month.

★

M. Jacques Appelmans has been appointed European representative of COUNTY BANK, based in Brussels.

★

Mr. S. P. Cooke, Mr. M. H. Paling and Mr. D. P. Sawle will be joining the partnership of MONTAGU LOEBL STANLEY AND CO., stockbrokers, from April 17.

★

Mr. Frank A. Richards has retired from the Boards of the DICKINSON ROBINSON GROUP and subsidiaries.

★

Mr. J. R. Archer, Earl Ferrers and Mr. P. C. Paisley have been appointed directors of the CENTRAL TRUSTEE SAVINGS BANK. Mr. R. A. Catt resigns as a director and general manager on March 31, and will be succeeded in both positions by Mr. G. D. Burton. Mr. L. W. Corp joins the bank as deputy general manager on March 28.

★

The Health and Safety Comission has approved an amendment to the constitution of the SAFETY IN MINES RESEARCH ADVISORY BOARD increasing from two to three the number of seats on the Board to be filled by nominees of trade unions in the coalmining industry.

This change is designed to ensure a continuing balance on the Board between employers' representatives, employees' representatives and independent members.

The Commission has also broadened the interests represented on the Board by the appointment of Mr. W. Shawcross of the British Association of Colliery Management to fill the new seat.

In addition Mr. A. Makower, the National Coal Board's director of scientific control, has been appointed to SMRAB. He joins the Board as one of the NCB representatives in place of Mr. L. Grainger, who has retired.

★

Mr. Ralph Crooks has been appointed production director on the Board of BOWTHORPE EMP, a member of the Bowthorpe-Hellermann Group.

★

Lord Tweedsmuir and Mr. Jonathan Backhouse are retiring from the Board of NATIONAL PROVIDENT INSTITUTION from March 31.

★

Lord Kennet has been appointed a member of the REDUNDANT CHURCHES FUND to fill the vacancy following the retirement of Dean Walter Hussey.

★

YARROW AND CO. has made changes in senior management, as from April 3, following the nationalisation of Yarrow (Shipbuilders). Mr. E. Norton continues as deputy chairman and managing director of Yarrow and Co. He ceases to be deputy chairman of Y-ARD but remains a director of that concern. Mr. F. D. Penny will become deputy managing director of Yarrow and Co. and deputy chairman of Y-ARD and will be succeeded as managing director of Y-ARD by Mr. J. Neumann. Mr. I. A. D. Mann remains finance director of Yarrow and Co. and has been replaced as secretary of that company by Mr. W. McMillan, who is also secretary of Y-ARD. Mr. J. Bowes joins the Board of Y-ARD.

★

Mr. D. J. Wilson has joined the partnership of KENT EAST NEWTON AND CO., stockbrokers, from March 28.

★

Mr. R. D. Boot has been appointed executive director (new aircraft) at BRITISH AEROSPACE, Warton Division. He was previously executive director and chief engineer at Hawker Siddeley Aviation's Brough factory in Yorkshire.

★

The KNITTING LACE AND NET INDUSTRY TRAINING BOARD has been reconstituted for a further three years and includes two new members, Mr. G. R. S. Bell and Mr. J. C. Smith. Mr. G. R. Herrick has been reappointed chairman.

★

Mr. Alan Talbot, managing director of MERRELL INTERNATIONAL's prescription products division in the U.K., has been appointed deputy chairman of Richardson-Merrell.

★

Following the death of Mr. J. R. Hindle, chairman of the SCAPA GROUP, Mr. T. D. Walker resumes the chairmanship for the time being.

★

McLEAN HOMES SOUTHERN has split its operations into three separate companies. Mr. Ron King will remain as managing director of the Southern and South West companies and in addition to being a director of McLean Homes South East will continue to be closely involved with the development of the recently established operation serving the Avon area. Mr. Ray Whatman has been appointed managing director of McLean Homes South East and Mr. Mike Tanner will join Mr. Alan Caswell as director of McLean Homes South West. Also Mr. K. H. Ling has joined the Board of Tarmac Homes Midlands.

★

Mr. J. R. H. Cooper, a managing director of Singer and Friedlander, has been appointed deputy chairman of the executive committee of the BRITISH BANKERS' ASSOCIATION.

★

Mr. Cooper succeeds Mr. P. E. Leslie, general manager, Barclays Bank International who became chairman of the executive committee from January 1.

★

RPN MANAGEMENT SERVICES has appointed Mr. C. L. F. Anderson training director for Scotland, from May 1.

★

BENDIX WESTINGHOUSE has made the following director appointments: Mr. J. A. Howie, previously an associate director has been elected a full director. Additionally, three new associate directors have been appointed: Mr. G. Burridge, chief engineer; Mr. P. M. James, personnel manager and Mr. A. J. Matthews, chief accountant who has also been appointed company secretary.

★

Mr. Fred Shaw is to become managing director of CHLORIDE LEGG. He succeeds Mr. Wilf Whittaker who retires at the end of March.

HOME CONTRACTS

Mine order for GEC division

GEC MECHANICAL HANDLING, Erith, Kent, has received a contract worth about £½m. from Cementation Mining for two double drum, single clutch winders, equipped with disc brakes, and designed to operate at a maximum depth of 4,000 feet, raising a payload of 5 tonnes.

★

BIRLEC, Walsall, part of the GEC Group, has been awarded an order worth more than £180,000 by Westley Brothers for additional coreless induction melting plant at its Cradley Heath foundry. Two new furnaces are to be installed, one of 2.6 tonnes capacity, the other of 1.5 tonnes and connected via a changeover switch to a medium frequency dual power supply. Each furnace will be used first to melt copper and copper alloys, at the rate of 3.3 tonnes an hour, on a high-power circuit of 600 kW and then be switched to a low power of 100 kW to maintain the metal at casting temperature.

★

INDUSTRIAL IMPREGNATIONS, part of the CHI Group, has received a £½m. Post Office contract for the supply of specialised underground communications components.

★

F. UTTLEY AND SON, Huddersfield, has won an order from Smith and Calverley, part of the Courtaulds woollen division, for equipment to up-date and re-equip its wet finishing department. When complete, the scheme will incorporate two France and Lodge fully automatic programme controlled Scourmatic machines, automatic addition and ingredient preparation, automatic warm water preparation and improved methods of fabric handling.

★

PLESSEY AVIONICS AND COMMUNICATIONS has been awarded a contract for the supply of a high frequency multibeam antenna receiving system. The system, which is for the Royal Australian Air Force, is worth nearly £1m.

Farmers warn of rabies risk

PLANS to streamline Customs checks on vessels could let rabies into Britain, farmers in East Sussex and Kent said yesterday. They have written to MPs asking them to oppose the plan, due to come into effect on April 1.

The National Farmers' Union said that, from then, Customs men would make only cursory checks on most vessels as a deterrent, with thorough checks on only a few.

World Value of the Pound

The table below gives the latest available rates of exchange for the pound against various currencies on March 23, 1978. In some cases rates are nominal. Market rates are the average of buying and selling rates except where they are shown to be otherwise. In some cases market rates have been calculated from those of foreign currencies to which they are tied.

Exchange in the U.K. and most of the countries listed is officially controlled and the rates shown should not be taken as being applicable to any particular transaction without reference to an authorised dealer.

Abbreviations: (S) member of the sterling area other than Schedule Territories: (k) Scheduled Territory; (o) official rate; (F) free rate; (T) tourist rate; (n.c.) non-commercial rate; (n.a.) not available; (A) approximate rate, no direct quotation available; (sg) selling rate; (bg) buying rate; (nom.) nominal; (exC) exchange certificates rate; (P) based on U.S. dollar parities and going sterling dollar rate; (Bk) bankers' rate; (Bas) basic rate; (cm) commercial rate; (cn) convertible rate; (fn) financial rate.

Sharp fluctuations have been seen lately in the foreign exchange market. Rates in the table below are not in all cases closing rates on the dates shown.

Place and Local Unit		Value of £ Sterling
Afghanistan	Afghani	83.00
Albania	Lek	08.874527
Algeria	Dinar	7.56815
Andorra	French Franc	8.74½
	Spanish peseta	148.425
Angola	Kwanza	n.a.
Antigua (S)	E.Caribbean $	5.06513
Argentina	Ar. Peso Free Rate	1,538
Australia (S)	Australian $	1.6540
Austria	Schilling	27.525
Azores	Portug. Escudo	76.55
Bahamas (S)	Ba. Dollar	1.8735
Bangladesh (S)	Taka	28.70
Bahrain (S)	Dinar	0.737
Balearic Is.	Spa. Peseta	148.425
Barbados (S)	Barbados $††	3.747
Belgium	B. Franc	(cm) 58.50
		(fn) 58.56
Belize	B $	3.747
Benin	C.F.A. Franc	437¼
Bermuda (S)	Bda. $	1.8735
Bhutan	Indian Rupee	§ 15.74185
Bolivia	Bolivian Peso	37.47
Botswana (S)	Pula	1.55156
Brazil	Cruzeiro ‡‡	31.21
Br Virgin Is (S)	U.S.$	1.8735
Brunei (S)	Brunei $	4.3410
Bulgaria	Lev	1.746
Burma	Kyat	12.85595
Burundi	Burundi Franc	173.525
Camero'n Rp	C.F.A. Franc	437¼
Canada	Canadian $	2.1090
Canary Is.	Spanish Peseta	148.425
Cape Verde I.	Cape V Escudo	n.a.
Cayman Is. (S)	Cay. I. $	1.56125
Cent. Af. Rp.	C.F.A. Franc	437¼
Chad	C.F.A. Franc	437¼
Chile	C.Peso	(Bk) 51.56
China	Renminbi Yuan	3.1762
Colombia	C. Peso	(F) 88.54
Comoros I'ds.	C.F.A. Franc	437¼
Congo (B'lle)	C.F.A. Franc	437¼
Costa Rica	Colon	16.1121
Cuba	Cuban Peso	1.4499
Cyprus (S)	Cyprus £	0.7206
Czechoslovak.	Koruna	(com) 10.60
		(nc) 21.10
		(T) 18.45
Denmark	Danish Krone	10.49½
Djibouti	Fr.	310(sg)
Dominica (S)	E. Caribbean $	5.06513
Domin. Rep.	Dominican Peso	1.8735
Ecuador	Sucre	(O) 46.83
		(F) 48.94
Egypt	Egyptian £	(O) 0.705
		(T) 1.36
Ethiopia	Ethiopian Birr	(P) 3.88258
Eq'l Guinea	Peseta	148.425
Falkland Is. (S)	Falkland Is. £	1.0
Faro Is.	Danish Krone	10.49½
Fiji Is.	Fiji $	1.5309
Finland	Markka	7.85½
France	French Franc	8.74½
Fr. C'tyinAf*	C.F.A. Franc	437¼
Fr. Guiana	Local Franc	8.74½
Fr. Pac. Is.	C.F.P. Franc	158.08
Gabon	C.F.A. Franc	437¼
Gambia (S)	Dalasi	[illegible]
Germany (East)	Ostmark	[illegible]
Germany West	Deutschmark	3.82½
Ghana (S)	Cedi	2.14(sg)
Gibraltar (S)	Gibraltar £	1.00
Gilbert Is.	Aust. Dollar	1.6540
Greece	Drachma	68.9255
Greenland	Danish Kroner	10.49½
Grenada (S)	E. Caribbean $	5.06513
Guadeloupe	Local Franc	8.74½
Guam	U.S. $	1.8735
Guatemala	Quetzal	1.8735
Guinea Rep.	Sily	39.8415
Guinea Bissau		77.8546
Guyana (S)	Guyanese $	4.7774
Haiti	Gourde	9.3675
Honduras Rep	Lempira	3.76
Hong Kong (S)	H.K.$	8.6875
Hungary	Forint	(com) 72.68
		(T) (nc) 38.38
Iceland (S)	I. Krona	485.70
India (S)	Ind. Rupee	15.74185
Indonesia	Rupiah	777.502
Iran	Rial	(A) 133
Iraq	Iraq Dinar	0.56289
Irish Rep (k)	Irish £	1.00
Israel	Israel £	31.51485
Italy	Lira	1,601
Ivory Coast	C.F.A. Franc	437¼
Jamaica (S)	Jamaica Dollar	2.351098
Japan	Yen	451½
Jordan (S)	Jordan Dinar	0.585(sg)
Kampuchea	Riel	2248.2
Kenya (S)	Kenya Shilling	14.8883
Korea (Nth)	Won	1.7883(!)
Korea (Sth)	Won	918.15
Kuwait (Sth)	Kuwait Dinar	0.527
Laos	Kip Pot Pol	374.70
Lebanon	Lebanese £	5.48955
Lesotho	S. African Rand	1.65095
Liberia	Liberian $	1.8575
Libya	Libyan Dinar	(P) 0.554657
Liecht'nstn	Swiss Franc	3.570
Luxembourg	Lux Franc	59.56
Macao	Pataca	9.51129
Madeira	Portug'se Escudo	76.55
Malagasy Rp.	MG Franc	437¼
Malawi (S)	Kwacha	1.57555
Malaysia (S)	Ringgit	4.4325
Maldive Is. (S)	Mal Rupee	7.38285
Mali Rp.	Mali Franc	8.74½
Malta (S)	Maltese £	0.740
Martinique	Local Franc	8.74½
Mauritania	Ouguiya ‡	87.69891
Mauritius (S)	M. Rupee	11.762957
Mexico	Mexican Peso	42.62
Miquelon	C.F.A. Franc	437¼
Monaco	French Franc	8.74½
Mongolia	Tugrik	(O) 5.956(!!)
Montserrat	E. Carribean $	5.06513
Morocco	Dirham	8.19(sg)
Mozambique	Moz. Escudo	65.1640
Nauru Is.	Aust. Dollar	1.6548
Nepal	Nepalese Rupee	25.41875
Netherlands	Guilder	4.09
Neth. Ant'les.	Antillian Guild	3.3536
New Hebrides	Franc	141.533
	Austl. Dollar	1.6540
N. Zealand (S)	N.Z. Dollar	1.8482
Nicaragua	Cordoba	13.23
Niger Rp.	C.F.A. Franc	437¼
Nigeria (S)	Naira	1.18118
Norway	Nrwg. Krone	10.02
Oman Sultanate of (S)	Rial Omani	0.6505
Pakistan	Pkst. Rupee	18.70
Panama	Balboa	[illegible]
Papua N.G. (S)	Kina	[illegible]
Paraguay	Guarani	234.85
P'ple's D. Rp of Yemen (S)	S. Yemen Dinar	(A) 0.6538
Peru	Sol	(exc A) 248.3
Philippines	Ph. peso	13.8142
Pitcairn Is. (S)	£ sterling	—
	New Zealand $	1.8482
Poland	Zloty	(Cm) 64.02
		(T) 54.28
Portugal	Pgse. Escudo	76.55
Port Timor	Timor Escudo	76.55
Principe Isle.	Pgse. Escudo	76.55
Puerto Rico	U.S. $	1.8735
Qatar (S)	Qatar Ryal	7.57
Reunion Ile de la	French Franc	8.74½
Rhodesia	Rhodesian $	1.257072
Roumania	Leu	(cm) 8.49
		(nc/T) 22.79
Rwanda	Rwanda Franc	180.66
St. Christopher (S)	E. Caribbean $	5.06513
St. Helena	St. Helena £	1.0
St. Lucia (S)	E. Caribbean $	5.06513
St. Pierre	C.F.A. Franc	437¼
St. Vincent (S)	E. Caribbean $	5.06515
Salvador El	Colon	4.78
Samoa (Am)	U.S. $	1.8735
San Marino	Italian Lira	1,601
Sao Tome	Pgse. Escudo	76.55
Saudi Arabia	Ryal	6.57
Senegal	C.F.A. Franc	437¼
Seychelles	S. Rupee	13.55
Sierr Le'ne (S)	Leone	2.0
Singapore (S)	Singapore $	4.3410
Solomon Is (S)	Australian $	1.6540
Somali Rep.	Som Shilling	(A) 11.79388
Sth. Africa (S)	Rand	1.65005
S.W. African Territories (S)	S. A. Rand	1.65005
Spain	Peseta	148.425
Span. Ports in North Africa	Peseta	148.425
Sri Lanka (S)	S.L Rupee	29.125
Sudan Rp.	Sudan £	(A) 0.6523527
Surinam	S. Gilder	3.3559
Swaziland (S)	Lilangeni	1.65005
Sweden	S. Krona	8.62
Switzerland	Swiss franc	3.570
Syria	Syria £	(A) 7.353487
Taiwan	New Taiwan	(P) 71.185
Tanzania (S)	Tan. Shilling	14.95
Thailand	Baht	38.0525
Togo Rp.	C.F.A. Franc	437¼
Tonga Is. (S)	Pa'anga	1.351169
Trinidad (S)	Trin. & Tobago	4.4964
Tunisia	Tunisian Dinar	0.780(sg)
Turkey	Turkish Lira §	46.75
Turks & C's	U.S. $	1.8735
Tuvalu	Australian £	1.6540
Uganda (S)	Ug. Shilling	14.775
Utd. States	U.S. Dollar	1.8735
Uruguay	Uruguay Peso	(cm) 10.17
		(fn) 10.08
Utd. A'b Emis.	U.A.E. Dirham	7.37
U.S.S.R.	Rouble	1.34
Upper Volta	C.F.A. Franc	437¼
Vatican	Italian Lire	1,601
Venezuela	Bolivar	8.19
Vietnam (Nth)	Dong	(O) 4.89891
		(T) 4.5791(!)
Vietnam (Sth)	Piastre	5.46257
Virgin Is. U.S.	U.S. Dollar	1.8735
Western Samoa (S)	Samoan Tala	1.156278
Yemen	Ryal	[illegible]
Yugoslavia	New Y Dinar	[illegible]
Zaire Rp.	Zaire	[illegible]
Zambia	Kwacha	[illegible]

* That part of the French community in Africa formerly part of French West Africa or French Equatorial Africa. † Rupees per pound. ‡ The Ouguiya has replaced the CFA franc. The exchange was made at a rate of CFA Frs.5 to one unit of the new currency.

§ General rates of oil and iron exports 78.697. ¶ Based on cross rates against Russian rouble. ** Rate is the Transfer market (controlled). †† Rate is now based on 2 Barbados $ to the dollar. ‡‡ Now one official rate. §§ Following 24 per cent. devaluation.

The Management Page

EDITED BY CHRISTOPHER LORENZ

The outsider with the Courage to move into brewing

After last Tuesday's article on Whitbread's new chief, **Kenneth Gooding** looks at the man who has just moved from tobacco manufacturers John Player to become the chairman of Courage

THE NEW chairman of Courage, fifth-largest of the U.K. brewing groups, had no connection at all with the industry before he took over on January 14. Mr. Geoffrey Kent began his career in advertising and marketing and since 1958 has been with John Player, tobacco manufacturers, part of the Imperial Group, which also owns Courage. He made the switch from John Player, where he was chairman and managing director, following the departure of Courage's former chairman, Mr. Oliver Steel.

Mr. Kent says he has been acting "like a sponge," attempting to absorb as much as possible about the brewing industry in the shortest possible time. He sees the move to an entirely different environment as a challenge. "But the same business principles and management techniques apply whatever the industry. The details might be different but the principles are the same."

Imperial Group took over Courage in the autumn of 1972 at the nominal cost of £286m. It was a tense period in the brewing industry. Watney Mann had just succumbed in a bitter bid battle with Grand Metropolitan. Hunters were on the prowl and Courage presented the most likely target. The group, like the rest of the major brewing businesses, had evolved from a series of mergers between family companies and many of the senior management positions were held by members of the various founding families. They were in no mood to cope with an aggressive bidder of the Grand Metropolitan type. Imperial offered the chance of a friendly takeover on reasonable financial terms.

It has indeed taken Imperial far longer than might reasonably have been expected to make changes at Courage. For, although before the merger Courage's image in the City was a good one, all was not well.

Mr. Kent sums up: "Courage had been trying to make do with old production resources confined in city centres, while market changes were taking place and compounding its problems."

For example, the take-home beer market has been developing rapidly, and consumers are demanding their beer in cans. Courage did not have enough canning capacity of its own until recently, when an installation went in at the John Smith's brewery in Tadcaster.

Another instance concerns the growth over the last decade of lager sales, which now account for a quarter of the beer market. Until last year Courage did not have a brand of its own, nor the facilities for brewing lager. Its interest in this, the most dynamic part of the beer market, was confined to a one-third share in the Harp Lager consortium.

Of course, the Courage team has been working on the problems. In particular, the company is pushing ahead with a desperately-needed new brewery, going up near Reading, and has dragged forward the operating date from 1980 to next year.

Then Courage (Eastern), that part of the group which operates in the important London and South East area, has begun a programme to increase efficiency and cut costs. Negotiations are under way with the unions to lose about 300 hourly-paid jobs—12 per cent. of the workforce—mainly in production and distribution before the spring.

It has not been possible to do everything that needs to be done as quickly as Courage might have liked. One complication is that the new brewery is costing so much—at least £60m.

Ironically, in the past, Imperial had the appearance of a group hungrily seeking new businesses, into which it could inject the surplus funds being generated by its traditional tobacco operations, so as to lessen its reliance on those operations. But after the Courage acquisition came the oil crisis, inflation and cash-flow problems for all U.K. industrial companies — including Imperial.

Not only that, but recently it has had to cope with the major problems which have arisen as Britain changes the structures of tobacco duty to harmonise with Common Market practices. These have hit Imperial cash flow and also adversely affected its cigarette market share, which once stood at a huge 66 per cent. Mr. Kent says he feels "a touch of regret at leaving at this time of transition."

The accounts recently published showed the taxable profits of Imperial's tobacco division down from £81.7m. to £69.5m. and for the first time tobacco profits represented less than half the total — £151m. before interest on sales of £3.2bn.

Since the takeover, Courage's performance financially has been far from impressive. Last year profits before interest rose by £1.5m. to £32.5m. which, the City analysts unanimously agreed, put the group way down the brewery league table. Sales rose from £369m. to £416m.

As the current efforts begin to pay off, things should improve. "Courage has good pubs, the brands and the potential for regaining market share once it gets over the production and distribution problems," insists Mr. Kent.

As a start on the solutions to Courage's difficulties had been made before the decision to move him was taken, the question is: Why has Mr. Kent been transferred? He gives a clue in pointing out that in 1971 John Player changed its style to a more open type of management which was not so common then. This involved a major programme of organisational and managerial changes and as they developed Mr. Kent became leader of the programme. "Maybe that experience might be helpful to Courage."

The new approach at John Player involved the setting out of better guidelines for managers and clarifying relationships between one manager and another and one function and another. "We tried to encourage more people across all jobs to contribute to the debate. It also involved encouraging a much higher level of candour in debate. We aimed to get people committed and involved in the formulation of goals towards which we were working.

"It took a long time to complete the process from the Board to the junior management and in the early days the system was highly structured and highly processed. Gradually attitudes changed and it is now a way of management life at John Player.

"For example, at Board meetings I attended we never took a vote. A kind of concensus was reached. It is a style I prefer."

Mr. Kent says the interaction between management functions, both vertically and horizontally, has improved, "and hence the quality of decision-making."

Where the change in management style really paid dividends at John Player was in the relationships between managers in marketing and in production. "Traditionally in industry there is a conflict between marketing and production—a conflict for production's need for long production runs, and marketing's requirement for a rapid switch from one product to another as demand changes. Unless you handle that conflict with some degree of skill you can get hardly any interface at all. So it was very pleasing to observe a fundamental change of attitude (at John Player). Managers were much more ready to accept the attitudes of others and a greater understanding of other managers' problems emerged."

He gives another important clue to his attitudes in general when he points out that many companies in the same industries have employees of similar background and training. So what sort of group has that special element that enables it to gain the upper hand? "I believe it is the group which is prepared the least to accept second-best and compromise, but is constantly striving for just that extra per cent. I see it as part of my job to encourage people to set high standards."

He recalls that when Mr. John Pile, Imperial's chairman, asked him to think about the move to Courage, he pointed out that some of the best management in the group was in the tobacco division and that some cross-fertilisation between divisions would help the group as a whole. Not much had been done in the past and the time had come to do more of this cross-fertilisation.

Mr. Kent is 55. He was born in Cleveleys, Lancashire. After war-time service with Coastal Command in the RAF, he worked as an account executive at Colman, Prentis and Varley, as sales promotion manager for Mentor and as products manager for Johnson and Johnson, before joining Imperial in 1958 as advertising manager of John Player. In 1964 he was appointed to the Board of John Player as marketing director and brought together a very sophisticated team of marketeers of all disciplines. He became joint assistant managing director in 1969—with special responsibility for organisation and management development — and was appointed chairman and managing director in January 1975.

His main interests outside the office are skiing and flying—he is one of the comparatively few private pilots to hold a full instrument rating, which entitles him to fly on recognised air routes and controlled air space throughout the world.

Although his career background and outside pursuits suggest Mr. Kent is an extrovert, at first meeting he appears instead to be an austere character, serious in approach and slow to smile.

His first weeks at Courage have been spent "shaking as many hands as I possibly can." He has been asking managers about their part of the business, their performance and their problems. "So I have been learning about the people and about Courage as a company."

Professional observers of the brewing industry expect the shake-up at Courage, particularly on the management side, could be considerable. All Mr. Kent will say is: "The fact I have this job indicates that the (Imperial) chairman expects changes of some kind. But what they will be and how they will manifest themselves I can't say yet."

Geoffrey Kent—the new chairman of Courage.

Managing to survive round one of the business game

THE CHANCE of a unique third successive victory in the national management championship is still alive for Rank Xerox, despite the sudden "liquidation" of three-quarters of the 928 teams which entered the 1978 contest in January.

The holding team, led by cost accountant John Chappell, is one of the 232 sides which have just survived the U.K. contest's critical first round. If Mr. Chappell's "paper" company again wins the £1,000 U.K. final in July, it will automatically have the prospect of retaining the European championship, which it won in Germany last year.

Between Rank Xerox and its third national title, however, lie four more rounds of computer-based "business" competition from other experienced players, many of them also from real-life companies of international fame.

The 232 whose make-bélieve consumer - durable businesses made sufficient profit to survive into the second round include, for instance, no fewer than 30 teams from ICI, with four from the group's paints division alone.

The Manchester Evening News and Guardian—which last year won the subsidiary "plate" contest held for first-round losers in the major U.K. contest—this time still has a chance of winning the championship proper.

In addition, and to show that the national game is by no means restricted to British entrants, the survivors include a side led by the finance director of a Portuguese manufacturing company, and a team from the overseas subsidiary of a British bank, playing from Tokyo!

There is another feature of the second-round which is causing somewhat wry smiles in the game's administrative headquarters in London.

The administrators come mainly from ICL which, along with the Financial Times and the Institute of Chartered Accountants in England and Wales, sponsors the annual U.K. championship in association with the Confederation of British Industry and the Institute of Directors. And while the ICL administrators will no doubt maintain their strict impartiality, this task will not be made any easier by the fact that the 232 survivors include six teams from IBM.

Even so, the trading conditions in the computer programme—against which the teams have to decide their policies for pricing, manufacturing, marketing and so on—are being made appreciably harder for the second round than they were in the first.

"We're aiming this at everybody still left in, mark you," was the comment from administrative headquarters, "so we certainly can't be accused of victimising our friends at IBM. But we see no reason why they, like everybody else, shouldn't now have to work a bit harder for their profits."

The second round of the major competition will start at the same time as the "plate" contest which is open, at an entry fee of £35, to any of the 696 sides knocked out so far.

Like the national championship, the subsidiary contest will then continue to be played by post up to the final round, when only four teams will be left. The face-to-face final for the £500 "plate" will be held in London on July 14. It will be followed at the same venue by the £1,000 championship on July 25. The European championship will then be held in the autumn, probably in Stockholm.

Michael Dixon

LOMBARD

Disappointment at high noon

BY GUY DE JONQUIERES

It will be up to EEC heads of Government, when they meet in Copenhagen in ten days' time, to form their own judgment on the value of the trade concessions which the European Commission has been able to extract from Japan after two weeks' intensive negotiations in Tokyo.

But set against the advance billing given to the talks by the Commission, which sought to present them as a kind of High Noon for international trade relations, the results look rather disappointing.

From the outset, it was apparent that the Commission was deliberately setting itself exaggerated objectives, many of which it did not seriously believe that it could achieve. In public, officials in Brussels have talked of the need for a dramatic turnround in Japan's trade surplus with the Community. But in private, they are prepared to admit that structural economic constraints would make it difficult, if not impossible, for even the most co-operative Japanese Government to produce the required correction in the sort of time demanded.

What the Community would have liked would have been the kind of detailed list of individual concessions wrung from Japan by President Carter's special trade representative, Mr. Robert Strauss. From its failure to get it—despite the application of as much negotiating muscle as the Commission could muster—it is fair to conclude that the Japanese regard the consequences of a serious falling-out with Washington more seriously than they view EEC threats of retaliation.

They are almost certainly right. The commission itself is powerless to put into effect the kind of counter measures which its negotiators have warned could result from continued Japanese intransigence and it is doubtful that the EEC Council of Ministers will decide to do so. Most European Governments are far too concerned at present about the growth of protectionist tendencies in the U.S. to risk taking really drastic actions against Japan which would be bound to create serious repercussions on the other side of the Atlantic.

Pressures

Moreover, the immediate pressures in the economically weaker EEC countries for a head-on confrontation with Japan appear to have abated, at least temporarily. The crises in the steel and textile industries have been eased by tough import restrictions at the Community level. This may also be extended to footwear. Japan has defused specific complaints about its car exports by agreeing bilaterally with Britain and France to limit deliveries to their markets this year. Only Italy is still agitating strongly for tough concerted measures against the Japanese chiefly because it is concerned about preserving its markets elsewhere in the EEC against third country import competition.

European attention has also been distracted by the consequences of the decline of the dollar. Beyond the destabilising effect that this has had on the world monetary system, there are increasing signs that it is now beginning to give U.S. exports a significant edge while posing a challenge to European exports on the American market.

Unresolved

Meanwhile, of course, the problem of "Japan Inc." remains, from the EEC standpoint, unresolved in most respects. But it is a problem which seems likely to acquire extra dimensions. Until now, the thrust of EEC efforts has been directed towards correcting the balance of bilateral trade. There is a danger, however, that the next phase of the campaign may have to be waged on even more difficult territory, that of third markets.

At present the EEC runs a substantial surplus on its trade with most of the non-oil-producing developing countries, many of which retain strong commercial links with their former colonisers. But these links are inevitably growing weaker with time and the EEC would be foolish to rely on them to withstand a concerted assault by Japanese export industries.

Second, Japan itself is facing increased competition from other Asian countries in sectors in which it was until recently predominant—one example being shipbuilding. South Korea's exports to the EEC have boomed in the past few years and its surplus on bilateral trade reached almost $2bn. last year, compared with a Japanese surplus of $5bn.

Many European governments believe that the best solution to such problems is not to be found in bilateral diplomatic confrontation but through a change in the GATT safeguard clause. The EEC is already pressing in general for the right to invoke safeguards against individual exporting countries—instead of against all trading partners as at present—and this demand seems likely to gain added support from the failure of the Tokyo talks.

THE WEEK IN THE COURTS

Recording law

BY JUSTINIAN

LAWYERS IN practice are essentially executants and not composers. The nature of the law, in its detailed prescription of rules, does not lend itself to invention or composition by its practitioners. On rare occasions however a lawyer may uncover an old and disused rule and put it to fresh use; he may actually adapt and fashion an existing rule to meet a new and unprecedented situation. The Court of Appeal's decision in *ex parte* Islands Records Ltd.* delivered just before the Easter recess, provided just such a rare event.

The recording companies which tape record the performances of pop groups have had an exacting time in recent years protecting their property. Individuals who attend the performances or hear them on radio are apt to do their own recordings on the quiet. From the tape recording hundreds of copies can be made and sold in the form of cassettes and cartridges or gramophone records. Small shopkeepers stock them at cut prices much to the fury of the recording companies and the artists who perform, since they ordinarily receive royalties on the records legitimately sold.

Copyright

The initial difficulty, the recording companies argue, is that the performances as such are so intangible, so fleeting and so ethereal as not to attract copyright. Only the actual musical work can be the subject of copyright. Nevertheless the making of secret tapes and records sold clandestinely is illegal. Under the Dramatic and Musical Performers' Protection Act, 1958, it is a criminal offence for a person knowingly to make a record of a dramatic or musical work without the performers' consent. Those engaged in the illicit trade are known as "pirates" or "bootleggers" according to to their role. The pirates are the infringers of the copyright by reproducing the existing records; the bootleggers are those who sell the infringing copies.

The problem facing the recording companies and the performers is how to catch the culprits. As soon as one small shopkeeper is sued, he disposes of all the infringing material, passes his stock on to a fellow shopkeeper and promptly declares that he never has had any records other than those discovered by the recording company.

It was found fatal to give the bootleggers the faintest warning of any pending legal proceedings: the service of a writ was invariably enough for the shopkeepers instantly to defeat the object of litigation. At this point the ingenuity of counsel was invoked. A specialist in industrial property law, Mr. Hugh Laddie, persuaded one judge after another in the Chancery Division of the High Court to make orders on shopkeepers *before* the issue of the writ and before they were even required to appear before the court. The order, which caught the bootleggers unawares, required them to disclose all relevant material, froze all their stock of illegal records and provided that the recording companies could immediately inspect their stock. The device proved highly successful. But was it legally supportable?

The pirate who infringes copyright is of course guilty of the civil wrong of breach of copyright. But the law had made the bootlegger guilty only of a crime. Some judges had ignored the distinction; other judges thought it fatal to the case for the making of a peremptory order. By a majority the Court of Appeal has now sanctioned the practice.

The case for the peremptory order is founded on two propositions. The first raises the age-old legal problem: whether a statute that creates a criminal offence also gives the victim the right to sue in the civil courts. Lord Denning asserted that the law would be in a sorry state if a man committing a crime could turn round and say that he was immune from suit and could cause special damage with a degree of impunity. The police have not the time and perhaps not even the inclination to deal with that crime which does little public damage, leaving it to those with private interests to take what action the law permits them. Against that background of non-interventionism by public authorities Lord Denning concluded: "So if the law is to be obeyed and justice done, the courts must allow a private individual himself to bring an action against the offender, where his private rights and interests are specially affected by the breach."

If that is right, why did not Parliament, when making in 1958 the pirating of dramatic and musical works a criminal offence, say that the performers should be able to go to the civil courts for a remedy? As Lord Justice Shaw in his dissenting judgment said: "To distil from the language of the section in the Act of Parliament a specific duty to perform would involve an illicit process of interpretation." It is not a function of the courts indirectly to stiffen the sinews of a criminal statute.

Third party

Lord Justice Shaw also negatived the second proposition that where a contravention of the criminal law inflicted special and particular damage on performers and recording companies with whom performers contracted for the exclusive production and reproduction of their performances the civil courts could intervene. No doubt there was vested in the contracting parties who produced the records certain specific rights. But such rights had to be capable of ready recognition and definition. The difficulty was that such contracts could impose no obligation on anyone but the contractors. A third party had simply to obey the law; if they transgressed it the Act of Parliament imposed a prescribed penalty—and no more. The criminal law gave no right in the authorities to ask a criminal court for a search warrant. And yet that was precisely what the recording companies and the performers sought and obtained from the civil courts. It would be odd indeed if the civil courts could execute draconian powers that the criminal court did not even possess.

Yet the majority of the Court of Appeal was willing to countenance such an anomalous position in granting the recording companies their exceptional remedy to stop the pirating and bootlegging of their property rights. To many lawyers the decision is more than a mere discovery of a hitherto unused part of the law relating to industrial property. It is an invention of the courts presided over by that inventive genius, the Master of the Rolls. It may not survive the scrutiny of the House of Lords, if and when the issue lands on their lordships' plate.

* *Times Law Report, March 21: 1978.*

Arsenal fail to take goal chances in London derby

SOCCER

BY TREVOR BAILEY

THE HINT of rain, a slippery pitch and a high blustery wind made conditions difficult for the players in the London derby between Arsenal and Chelsea which attracted more than 40,000 people at Stamford Bridge and required an army of police.

Although Chelsea were outplayed for most of the match they managed to collect a valuable point in a goalless draw, which died a little in the later stages after an entertaining first half.

The first 45 minutes belonged almost exclusively to Arsenal, who produced some fine attacking football which deserved at least a couple of goals and would have had them if it had not been for the agility of Bonetti and some very near misses: which included a fierce drive into the side-netting from Rice, Stapleton hitting the outside of the post and Macdonald being only just wide.

Chelsea, who had Hay operating as a sweeper behind Droy and Wicks and had detailed Locke to mark Brady without noticeable success except in a negative sense, were very fortunate to be still in the game at half-time.

After the interval Arsenal continued to do most of the attacking, but the home team, who reverted to a normal back four and pushed Hay forward to watch Brady, continued to have most of the play. A five-man move ended with Macdonald only just off target, and he was rather more so on three other occasions.

However, Chelsea did manage to gain their first corner and Finnieston fired in one shot, which Jennings, who was largely unemployed, stopped without much trouble, while a header from Langley forced him to go full length. This was the extent of Chelsea's effort, and the final whistle came as a distinct relief to their hard-pressed defenders, though by this time their opponents appeared to have lost some of their inspiration.

Arsenal, strongly fancied to win the FA Cup, had a crushing 4-0 win on Saturday against West Bromwich, who meet Ipswich in the other semi-final.

Not only is this the best Arsenal side since the early 70s, but in many respects is far more attractive to watch than the team which achieved the double in 1970-71.

Although not quite so impregnable at the back, it possesses greater skill and imagination both in mid-field and up front, but against Chelsea they failed to put the ball in the net, in spite of creating sufficient clear-cut chances.

Chelsea, although too near the relegation zone for comfort, should have established themselves again in the First Division. However, it is interesting to reflect that last season they were a more accomplished side than Nottingham Forest, but with their massive overdraft they have been unable to spend the large sums needed to improve the side. Fortunately, their nursery continues to unearth promising youngsters, but without Wilkins they are short of class in mid-field.

Boost for underdogs Orient

BY JAMES FRENCH

ORIENT, the underdogs who face Arsenal in the FA Cup semi-finals on Saturday week, actually managed their first Football League win since December 27 when they sank Sheffield United 3-1 yesterday.

The struggling East London side needed such a psychological boost after their 5-1 Saturday thrashing at Stoke. It was also a welcome back to Leyton for Orient's manager, Mr. Jimmy Bloomfield, paler and slimmer after a month in hospital for a stomach operation.

Hat-tricks seem to have been two a penny in the capital this Easter. Peter Kitchen's trio took his to 27 this season—not that Arsenal needed a nudge to realise that this is a real danger man.

Kitchen is short and chunky for a striker. But he is sharp, persistent, and excellent in his ball control. He is good with his feet and his head—and if he has a weakness it is a tendency to be caught offside. But that, surely, is forgiveable in a man who scores so frequently.

It must be emphasised that Kitchen is half of a great partnership, signed by Mr. George Petchey, now the Millwall chief, who, alas, was not allowed to see the fruit borne of his shrewd recruitment.

The other partner is tall, unselfish Joe Mayo—a supreme trier, tall and awkward, who spends his last puff of breath to win a crucial deflection.

Arsenal have been playing so well and have such depth of quality and confidence that it is unthinkable that they should succumb to Orient.

Yet if Orient's defenders and midfielders are sufficiently underwhelmed to pump some sort of service to this Quixote-Panza pair, these braves could achieve the impossible.

After all, they have already mastered First Division sides Norwich, Chelsea and Middlesbrough in this Cup campaign.

With yet another black winger, 17-year-old Godfrey sparkling for them Orient should have taken a commanding lead in the first half.

Surprisingly, after being run off their feet for 10 minutes, Sheffield United took the lead through Campbell. Within 90 seconds, Kitchen remedied the injustice by heading in Roffey's cross.

Orient took an overdue lead after 57 minutes. After Brown saved Roffey's shot, Clark's effort was pushed out by Franks before Mayo ran it in. The referee insisted on a penalty, which Kitchen netted with ease.

Two minutes before time, Mayo, falling, achieved a vital touch that gave Kitchen a winnable ball. Showing superb control in the blustery wind and pouring rain, he accelerated past two defenders and tucked a sharp low shot past Brown.

Despite the conditions, the game was full of intelligent, brisk and clean football of quality. But far too much of United's contribution to this came from their veteran captain Woodward, whose enthusiasm, fitness and accuracy matched his usual standard.

History made on several fronts

RUGBY UNION

BY PETER ROBBINS

THIS SEASON'S international matches were not particularly memorable but nevertheless history has been made on several fronts.

France was admitted as a full member to the exclusive coterie of the International Board and Michael Gibson set a world record of international appearances with a total of 65 caps.

J. P. R. Williams shocked his many admirers by admitting that he had committed a professional foul on Gibson in Dublin to prevent a try.

That was rather a sad "first" to achieve because it sets a disquieting example to other less gifted players who might see justification in the same tactic.

The championship was always going to be a two-nation race leaving, as one cynic put it, England, Scotland and Ireland to fight for Second Division honours.

Yet a glance at the scores shows that Wales did not have an easy time and both England and Ireland gave them a fright.

The widest margin between any two teams was the 15 points that England scored against Scotland. Otherwise, the scoring, considering the present-day value of the try, was quite low.

Wales may be nearing the end of an era, but what an era it has been, and what a privilege to see such a combination of originality and organisation!

They achieved greatness because of their colossal confidence which verges on arrogance. Wales expect to win when they take the field whereas other countries only hope.

France once more had their national dilemma of style versus efficiency and fell heavily between the two in their final match against Wales.

Their selectors have some curious ideas, but the dropping of Romeu was an incredible blunder, and ironic in view of events at Cardiff.

Ireland were quite a different proposition this year under the direction of their new coach Noel Murphy. He was a hard but clean player and therefore it was all the more surprising to see Slattery so consistently indisciplined.

Scotland badly missed Gordon Brown throughout the whole season. They were led rather eccentrically by Morgan at scrum half, whose own performances were fickle, to say the least.

Finally, England, still in their rehabilitation period, looked a better side. They gave France a good run and a debatable decision cost them a draw against Wales.

The omission of Burton after Paris and Horton after the Welsh match raised a few eyebrows, but the ensuing results rather proved the selectors' point. They also had the good sense to appoint the right captain, Beaumont.

Oxford splashboards decisive

THE BOAT RACE

BY MICHAEL DONNE

THE RESULT of Saturday's incident-filled Boat Race would still have been a win for Oxford if Cambridge had completed the course instead of sinking on the finishing side of Barnes Bridge.

Oxford were incomparably the better watermen—as was clear from the practice start they made while on their way to their stake-boat. In addition, they had taken the sensible precaution of fitting splashboards to their riggers, which effectively cut down the amount of water they shipped.

The race was one of the most memorable for many years, filled with incidents beginning with the first false start by Oxford. Next time round, both crews started early, rowing away before the umpire had dropped his flag. By then, however, so much time had been lost that the umpire sensibly decided to let the race continue in view of the rapidly deteriorating weather.

Oxford convincingly demonstrated their ability to get away fast and soon established a lead of about one length over Cambridge. The Light Blues hung on grimly to their tails though, and the race was still wide open as the crews came up to Hammersmith Bridge, Oxford setting a record for the mile.

Oxford went on to another record at the two-mile stage, but by then both crews were being persistently warned by the umpire for crowding as they fought for the shelter of the Surrey bank. At one stage a collision seemed imminent.

Oxford spurted to go half a length ahead and after that, as the water became ever rougher, the race developed almost into a matter of survival for both crews rather than a question of who was going to win. To those following the race in the launches, it was obvious that Cambridge was slowly sinking as the crews battled down the Corney Reach towards Barnes Bridge, seeking the limited shelter of the Middlesex bank.

The real damage for Cambridge came as the two crews, under the rules of the race, had to move towards the middle of the river to pass under the centre arch of Barnes Bridge, moving away from the comparative shelter of the Middlesex bank.

Cambridge went down in stately fashion less than a mile from home, humiliation and bewilderment written on their faces, the sixth crew to sink in Boat Race history. Oxford cruised remorsely on to win in 19 minutes.

Cambridge must bitterly regret that they did not follow Oxford's example in fitting splashboards. The considered verdict of the Boat Race pundits was that without them Oxford would almost certainly have sunk too.

Hannon's team ready

RACING

BY DOMINIC WIGAN

RICHARD HANNON, whose Mon Fils shocked the racing world a few seasons ago by winning the Two Thousand Guineas at 50-1 again has his team well forward, and his runners could repay support over the next few weeks.

This afternoon at Warwick the East Everleigh trainer appears likely to score with both Crystal Miss and Slitherum.

The last-named, a chestnut Frankincense colt, whose dam Scorton Green has already produced several winners, won only once from nine attempts last season. But he put up some other respectable efforts, notably when finishing a close fourth in a Newmarket seller.

If Slitherum has come through the close season well and is ready to do himself full justice, he will take a good deal of beating here off his attractive handicap mark of 8st 7lb.

Crystal Miss, representing Hannon in the Bidford Selling Stakes in preference to Contended Sole, should win provided she can cope with another early sort, Steal a Kiss. The latter's trainer, J. Johnson, took this event a year ago through a 12-1 chance in Civil Servant.

Several times last season, the Guy Harwood-owned and trained Alfsboy (a Graustark colt whose dam Bold Bikini is a half-sister to America's top juvenile of a few years back, Top Knight) showed good potential.

If he is going to make up into the smart performer expected, Alfsboy should win here with the minimum of fuss. I suggest him as the day's best bet.

Hawaiian Sound, rated by trainer Barry Hills as superior to his Laurent Perrier Champagne Stakes winner Sexton Blake, looked a long way short of Classic potential when scrambling home from Sharpen Your Eye at Kempton yesterday.

The Hawaii bay, a 15-8 favourite for the Kosset Carpet Stakes, needed to be hard-ridden by Ernie Johnson to get the better of the runner-up inside the final furlong.

Although he was giving Lord Leverhulme's Sharpen Up colt four pounds, the form looks at least a stone below that necessary to give Hawaiian Sound any chance in the Classics.

WARWICK

2.00—Alfsboy***
2.30—Crystal Miss**
3.00—Slitherum
3.30—Nickadventure
4.00—Major Isle*
4.30—Sovereign's Escort

TV/Radio

† Indicates programmes in black and white

BBC 1

9.10 a.m. For Schools, Colleges. 9.40 Roobarb. 9.45 Jackanory. 10.00 Why Don't You . . .? 10.25 Boy from Lapland. 10.50 Lippy Lion. 12.45 p.m. News. 1.00 Pebble Mill. 1.45 Ragtime. 2.45 Songs of Praise from Gloucester Cathedral. 3.20 Pobol y Cwm. 3.53 Regional News for England (except London). 3.55 Play School (as BBC-2 11.00 a.m.). 4.20 Wally Gator. 4.25 Jackanory. 4.40 Playhouse. 5.10 John Craven's Newsround. 5.15 Take Hart. 5.35 Ludwig.
5.40 News
5.55 Nationwide
6.20 Nationwide
6.50 Young Musician of the Year
7.20 The Rockford Files
8.10 The George Burns One-Man Show
9.00 News
9.25 Pennies from Heaven
10.45 Ballroom Champions
11.15 To-night
11.55 Weather/Regional News

All Regions as BBC-1 except at the following times:—

Wales—10.55-11.45 a.m. Multi-Coloured Swap-Shop presents its Star Award 1978. 5.55-6.20 p.m. Wales To-day. 6.50 Heddiw. 7.10 Pobol Y Cwm (senod) pennod 26. 7.40-8.10 Young Musician of the Year. 11.55 News and Weather for Wales.

Scotland—5.55-6.20 p.m. Reporting Scotland. 11.55 News and Weather for Scotland.

Northern Ireland—10.00-10.25 a.m. Final Stage: The Benson and Hedges Circuit of Ireland Rally. 10.55-11.20 Why Don't You . . .? 3.53-3.55 Northern Ireland News. 5.55-6.20 Scene Around Six. 11.55 News and Weather for Northern Ireland.

England—5.55-6.20 p.m. Look East (Norwich): Look North (Leeds, Manchester, Newcastle); Midlands To-day (Birmingham): Points West (Bristol); South To-day (Southampton): Spotlight South West (Plymouth).

BBC 2

11.00 a.m. Play School
2.15 p.m. Other People's Children
2.30 Having a Baby
7.00 News on 2 Headlines
7.05 On the Rocks
7.30 Newsday
8.05 The Vet
9.00 Pebble Mill Showcase
9.30 The Man Alive Report
10.20 Poems and Pints
10.45 Late News on 2
10.55 The Old Grey Whistle Test
11.35-11.45 Closedown: Rosalind Shanks reads 'An Instant on the Viaduct' by Jenny Joseph

LONDON

9.30 a.m. What's New in School. 11.00 The Man who Hated Laughter. 11.45 Oscar. 12.00 Paperplay. 12.10 p.m. Stepping Stones. 12.30 A Fair Chance. 1.00 News plus FT Index. 1.20 Help! 1.30 Crown Court. 2.00 After Noon. 2.25 Sam. 3.20 Family. 4.20 Runaround. 4.45 Magpie. 5.10 The Brady Bunch.
5.45 News
6.00 Thames at 6
6.25 Crossroads
6.50 The Six Million Dollar Man
8.30 Armchair Thriller
9.00 Wilde Alliance
10.00 News
10.30 A Taste of our Medicine
11.30 Gibbsville
12.30 a.m. Close: Rudolph Walker reads a poem

All IBA Regions as London except at the following times:—

ANGLIA

10.10 a.m. Cartoon Time. 10.40 Woobinda—Animal Doctor. 11.05 Return to the Planet of the Apes. 11.30 Winning With Wilkie. 1.25 p.m. Anglia News. 2.00 Houseparty. 3.20 The Electric Theatre Show. 3.50 A Reason For Living. 5.15 Survival. 6.00 About Anglia. 7.00 The Rolf Harris Show. 7.30 Charlie's Angels. 11.30 Quincy. 12.30 a.m. An Easter Hymn.

ATV

11.00 a.m. Puzzle Party. 11.25 Westway. 11.50 Professor Balthazar. 1.20 p.m. ATV Newsdesk. 3.20 Quick on the Draw. 3.50 Houseparty. 5.15 Laverne and Shirley. 6.00 ATV Today. 7.00 Survival Special. 8.00 Robin's Nest. 11.30 Gibbsville.

BORDER

11.00 a.m. Jungle Ted and the Laceybuttonpoppers. 11.05 Plymouth Rock. 11.35 Westway. †1.20 p.m. Border News. 2.00 Houseparty. 3.20 Marcus Welby MD. 5.15 Indoor League. 6.00 Lookaround Tuesday. 7.00 Six Million Dollar Man. 8.30 Robin's Nest. 11.15 Baretta. †12.10 a.m. Border News Summary.

CHANNEL

1.18 p.m. Channel Lunchtime News and What's On Where. 3.20 Friends of Man. 3.50 Music in Camera. 5.15 The Flintstones. 6.30 Report at Six. 7.05 Treasure Hunt. 7.35 Charlie's Angels. 10.28 Channel Late News. 11.30 Westside Medical. 12.25 a.m. Commentaires et Previsions Meteorologiques.

GRAMPIAN

9.25 a.m. First Thing. 10.55 Cartoon Time. 11.05 Plymouth Rock. 11.35 Westway. 1.20 p.m. Grampian News Headlines. 3.20 Women Only. 3.45 Cartoon Time. 3.50 Wildlife Cinema. 5.15 Wings 'n' Things. 6.00 Grampian Today. 6.10 Country Focus. 7.00 Scottish Nurse of the Year. 7.30 Cartoon Time. 7.35 The Bionic Woman. 11.30 Reflections. 11.35 Police Woman.

GRANADA

10.50 a.m. Cartoon. 11.00 Sesame Street. 1.20 p.m. This Is Your Right. 3.20 Mr. and Mrs. 3.50 Wildlife Cinema. 5.10 This Is Your Right (repeat of today's programme of advice to viewers). 5.15 Crossroads. 6.00 Granada Reports. 6.30 "High Society" starring Bing Crosby, Frank Sinatra and Grace Kelly. †11.30 The Untouchables.

HTV

11.00 a.m. Popeye. 11.05 Plymouth Rock. 11.30 The Wells of Montrose. 1.20 p.m. Report West Headlines. 1.25 Report Wales Headlines. 2.00 Houseparty. 3.20 The Electric Theatre Show. 3.50 Out of Town. 5.15 Siobad Junior. 5.20 Crossroads. 6.00 Report West. 6.15 Report Wales. †6.35 "Miss McTaggart Won't Lie Down" starring Barbara Mullen. 7.05 A Cottage in the Cotswolds. 7.35 Charlie's Angels. 11.30 Police Woman.

HTV Cymru/Wales—As HTV General Service except: 1.20-1.25 p.m. Penawdau Newyddion y Dydd. 4.20 Cwedlau'r Blodau. 4.30-4.45 Seren Wib. 6.00-6.15 Y Dydd. 10.30 Bywyd. 11.30 Survival. 12.00-12.45 a.m. Celebrity Squares.

HTV West—As HTV General Service except: 1.20-1.30 p.m. Report West Headlines. 6.15-6.35 Report West.

SCOTTISH

11.00 a.m. Mr. Magoo. 11.05 Plymouth Rock. 11.35 Westway. 1.25 p.m. News and Road Report. 3.20 Mr. and Mrs. 3.50 The Practice. 5.15 Pipet and Friends. 5.20 Crossroads. 6.00 Scotland Today. 6.30 What's Your Problem? 7.00 Scottish Nurse of the Year. 7.30 The Andy Williams Show. 8.00 Robin's Nest. 11.30 Late Call. 11.35 Rush.

SOUTHERN

11.00 a.m. Return to the Planet of the Apes. 11.30 Winning With Wilkie. 1.20 p.m. Southern News. 2.00 Houseparty. 5.15 Betty Boop. 5.20 Crossroads. 6.00 Day by Day. 7.00 Emergency. 8.00 Robin's Nest. 11.30 Southern News Extra. 11.40 Drive-In. 12.10 a.m. The Practice.

TYNE TEES

9.20 a.m. The Good Word followed by North East News Headlines. 11.00 Cartoon. 11.05 Plymouth Rock. 11.35 Westway. 1.20 p.m. North East News and Lookaround. 3.20 The Odd Couple. 3.50 A Big Country. 5.15 Nobody's House. 6.00 Northern Life. 7.00 Man From Atlantis. 8.00 Robin's Nest. 11.30 Boney. 12.30 a.m. Epilogue.

ULSTER

11.00 a.m. Cartoon Time. 11.05 Plymouth Rock. 11.35 Westway. 1.20 p.m. Cartoon Time. 3.20 Mr. and Mrs. 3.50 The Woody Woodpecker Show. 4.18 Ulster News Headlines. 5.15 Friends of Man. 6.00 Ulster Television News. 6.05 Crossroads. 6.30 Feature Film: "The Comancheros" starring John Wayne, Stuart Whitman and Lee Marvin. 8.00 Robin's Nest. 11.30 Pro-Celebrity Snooker.

WESTWARD

10.20 a.m. Skippy. 11.00 Cartoontime. 11.05 Plymouth Rock. 11.35 Westway. 12.27 p.m. Gus Honeybun's Birthdays. 1.20 Westward News Headlines. 3.20 Friends of Man. 3.50 Music in Camera. 5.15 The Flintstones. 6.00 Westward Diary. 7.05 Treasure Hunt. 7.35 Charlie's Angels. 10.28 Westward Late News. 11.30 Westside Medical. 12.25 a.m. Faith for Life.

YORKSHIRE

11.00 a.m. Skippy. 11.30 Westway. 1.20 p.m. Calendar News. 3.20 Little House on the Prairie. 5.15 Indoor League. 6.00 Calendar (Emley Moor and Belmont editions). 7.00 Man From Atlantis. 8.00 Robin's Nest. 11.30 Police Woman.

RADIO 1 247m

(S) Stereophonic broadcast

6.00 a.m. As Radio 2. 7.02 Noel Edmonds. 9.00 Simon Bates. 11.31 Paul Burnett including 12.30 p.m. Newsbeat. 2.00 Tony Blackburn. 4.31 Dave Lee Travis including 5.30 Newsbeat. 7.00 Folk 78 (S) (joins Radio 2). 10.02 John Peel (S). 12.00-12.05 a.m. As Radio 2.

VHF Radios 1 and 2: 6.00 a.m. With Radio 2, including 1.55 p.m. Good Listening. 10.00 With Radio 1. 12.00-12.05 a.m. With Radio 2.

RADIO 2 1,500m and VHF

6.00 a.m. News Summary. 6.02 Ray Moore (S) with The Early Show, including 6.15 Pause for Thought. 7.32 Terry Wogan (S) including 8.27 Racing Bulletin and 8.45 Pause for Thought. 10.02 Jimmy Young (S). 12.15 p.m. Waggoners' Walk. 12.30 Pete Murray's Open House (S) including 1.45 Sports Desk. 2.30 David Allan (S) including 2.45 and 3.45 Sports Desk. 4.30 Waggoners' Walk. 4.45 Sports Desk. 4.47 John Dunn (S) including 5.45 Sports Desk. 6.45 Sports Desk. 7.02 Folk 78 presents Jaqui and Bridie in concert (S). 7.33 On The Third Beat (S). 8.02 Hubert Gregg at The London Theatre. 9.02 Among Your Souvenirs (S). 9.55 Sports Desk. 10.02 Three In A Row. 10.30 Roy Hudd says Be My Guest. 11.02 Brian Matthew with The Late Show. 12.00-12.05 a.m. News.

RADIO 3 464m, Stereo & VHF

6.55 a.m. Weather. 7.00 News. 7.05 Overture (S). 8.00 News. 8.05 Morning Concert (S). 9.00 News. 9.05 This Week's Composer: Handel (S). 10.00 Holiday Special (S). 10.20 Academy of the BBC (S). 11.20 Madeleine Dring (S). 12.00 Midday Concert part 1: Schubert, Rossini, Bizet, Mozart (S). 1.00 News. 1.05 The Arts Worldwide. 1.20 Midday Concert part 2: Rossini, Donizetti, Sibelius (S). 2.05 Chilingirian String Quartet (S). 3.20 A Little Light Music (S). 4.20 "Atalanta in Calydon," choral symphony by Bantock (S). 5.15 Jazz Today (S). 5.45 Homeward Bound (S). 6.05 News. 6.10 Homeward Bound (continued). 6.32 Lifelines. 7.30 Royal Liverpool Philharmonic Orchestra part 1: Berlioz, Beethoven (S). 8.25 Full Marks for Calcutta (talk by Mary Goldring). 8.45 Concert part 2: Nielsen (S). 9.30 The Ring and the Book. 10.20 Stravinsky's Homage to Jazz on historic recordings. 10.35 Haydn and Beethoven piano recital (S). 11.25 News. 11.30-11.35 And Tonight's Schubert Song.

RADIO 4

434m, 330m, 285m and VHF

‡Medium Wave only

6.35 a.m. Up to the Hour. 6.52 (VHF) Regional News. 7.00 News. 7.10 Today. 7.35 Up to the Hour (continued). 7.52 (VHF) Regional News. 8.00 News. 8.10 Today including news headlines, weather, papers, sport. 8.45 Granny's Village. 9.00 News. 9.05 Tuesday Call. 10.00 News. 10.05 On Location. 10.30 Daily Service. 10.45 Morning Story. 11.00 News. 11.05 Thirty-Minute Theatre (S). 11.35 Spring Meeting: An April Glee. 12.00 News. 12.02 p.m. You and Yours. 12.20 Desert Island Discs. ‡12.55 Weather, programme news, VHF (except London and SE) Regional News. 1.00 News. 1.30 The Archers. 1.45 Woman's Hour including 2.00-2.02 News. 2.45 Listen With Mother. 3.00 News. 3.05 Hermsprong (S). 4.00 News. 4.05 Gardeners' Question Time. 4.35 Story Time. 5.00 PM Reports. 5.40 Serendipity. ‡5.55 Weather, programme news (VHF) Regional News. 6.00 News. 6.30 Just a Minute (S). 7.00 News. 7.05 The Archers. 7.20 Time for Verse. 7.30 Royal Liverpool Philharmonic Orchestra (as Radio 3) (S). 9.35 Kaleidoscope. 9.59 Weather. 10.00 The World Tonight. 10.30 Not Now, I'm Listening Again. 11.00 A Book At Bedtime. 11.15 The Financial World Tonight. 11.30 News.

BBC Radio London

206m and 94.9 VHF

6.00 a.m. As Radio 2. 6.30 Rush Hour. 9.00 News Extra. 9.20 London Live. 11.03 In Town. 12.03 p.m. Call In. 2.03 206 Showcase. 4.03 Home Run. 6.10 Look, Stop, Listen. 7.30 In Town (as 11.03 a.m.). 8.30 All That Jazz. 10.03 Late Night London. 12.00—Close: As Radio 2.

London Broadcasting

261m and 97.3 VHF

5.00 a.m. Morning Music. 6.00 "A.M.": non-stop news, travel, sport, reviews, information. 10.00 Brian Hayes. 1.00 p.m. LBC Reports. 8.00 After 8—with Ian Gilchrist. 9.00 Nightline. 1.00-5.00 a.m. Night-Extra.

Capital Radio

194m and 95.8 VHF

6.00 a.m. Graham Dene's Breakfast Show (S). 9.00 Michael Aspel (S). 12.00 Dave Cash (S). 3.00 p.m. Roger Scott (S). 7.00 London Today (S). 7.30 Adrian Love's Open Line (S). 9.00 Your Mother Wouldn't Like It with Nicky Horne (S). 11.00 Tony Myatt's Late Show (S). 2.00 a.m. Duncan Johnson's Night Flight (S).

F.T. CROSSWORD PUZZLE No. 3,627

ACROSS

1 Method used by Surrey branch of family (6)
4 Firm has a bird greatly occupied (4, 2, 2)
10 Weird organisation is careful (7)
11 Simpler chap from Salisbury? (7)
12 Part of film about the Spanish (4)
13 Important matter for officer with children (5, 5)
15 Ancient city church at home to boy (6)
16 Girl coming to fishy conclusion (7)
20 Garment for consumer from south-west (7)
21 Hat giving protection in the garden (6)
24 First class honours for advanced stage (4, 6)
26 Nothing to part at date of death (4)
28 Undertaking to provide opening on river (7)
29 Clergy brought to book (7)
30 Sure to be noticed coming out (8)
31 Low sound made by cardinal at anchor (6)

DOWN

1 Get ready to fight old-fashioned superior (6, 2)
2 Belief beyond question consecrated neatly (6, 3)
3 Girl partly defeated Napoleon (4)
5 Father turning up tried to be given the OK (8)
6 Don't exaggerate lack of bitterness in order at bar (4, 2, 4)
7 Load of coal may be well within their grasp (5)
8 Goal for sailor to understand (6)
9 Goodness of bowler I'm wearing (2, 3)
14 Little drink with food running level (3, 3, 4)
17 Apparatus designed for Hatch End (9)
18 Colour in the main (3-5)
19 Punter and newsman improved (8)
22 Herb's with church saint (6)
23 Give lessons in West-end to everybody (5)
25 Left and right, he's doomed (5)
27 Ring for the light-headed (4)

The solution of last Saturday's prize puzzle will be published with names of winners next Saturday.

هكذا من الأصل

Festival Hall

Mahler's Sixth

by Ronald Crichton

As well as seasonable Bach, ruckner and Mahler loomed ver the Easter programmes on outh Bank: Abbado and the ondon Symphony gave Mahler's ixth twice: I heard the repeat erformance, on Sunday, almost xactly a year after a memorable reading by Karajan and the Berlin Philharmonic at the 1977 alzburg Easter Festival. Both xperiences were of intense, memorable quality. Some comparison is inevitable. Briefly, hough Karajan's was not by any neans just a gratuitous exhibiion of orchestral virtuosity, it s the stunning quality of the Berliners' playing, corporate and ndividual, that one now recalls. Vith Abbado and the Lononers, though the orchestra was n superb form, it was Mahler himself with his rages, bitter lespair, and moments of blanched, drained peacefulness, hat came over with white-heat orce.

Part of Abbado's strength lies n his *rhythm*—physical, instinctive. One might ascribe this to his pre-eminence as a conductor f Verdi, but Karajan, who asn't that elemental command f rhythm, is also remarkable in Verdi. However strong general impressions, memory can be langerously fallible in detail ven over the space of one year. Yet I am pretty sure that Abbado's speed in the first novement (marked Allegro nergico, ma non troppo) was lower, more clumping, finally nore shattering.

The Adagio opened in an tmosphere of cool dusk, dmirably sustained; the climax vas seering without sweetness. The distant bell effects, which an easily *misfire* in this hall, ad been carefully prepared. The ammer-stroke in the finale vere counterfeited by up-tilting hen dropping a wooden platorm, given the right dryness, not quite enough weight, done vith perfect timing. For their ersatile, outstanding playing hroughout the symphony, the LSO horns must have special nention. One of this orchestra's ed-letter days.

*

At the London Philharmonic oncert on Thursday, Walter Susskind appeared as conductor it short notice for the indisposed Haitink. What is more, Mr. Susskind took over Haitink's programme (more enterprising han most we hear in this hall) is it stood—Goehr's gravely, enderly, rather extendedly houghtful Fugue on Psalm IV for string orchestra, a Mozart Piano Concerto K503 in C), and Bruckner's Symphony "O," the comparatively early work later rejected by its habitually uncerain composer but happily estored to at least limited circuation. Bruckner at 40 was an xperienced church musician but till a prentice symphonist, yet his early attempts are well vorth hearing.

Considering that neither conluctor nor orchestra were preiously familiar with the score Haitink's recording was made vith the Concertgebouw), the erformance was a gallant chievement. But there is more n this sometimes clumsy but obust and often lyrical score han could reasonably be xpected to come across under uch circumstances. The LPO nust give the symphony again inder Haitink next season. Dmitri Alexeev played the Mozart concerto sensitively, with lancing rhythm not always proof gainst a weakness for hurrying uns. A touch more of singing one in the Andante would have elped the expressively shaped hrases to project more firmly.

1st Observer Oxford Festival of Theatre

Heralded as "A Feast for Oxford," the first Observer Oxord Festival of Theatre will pen at the Oxford Playhouse on unday April 23. The Festival vill run until May 6. It will eature 24 professional and tudent productions from Britain nd the Continent, backed by a ull programme of guest peakers, exhibitions and workhops.

Dr. Julian Braunsweg

Dr. Julian Braunsweg, founder of London's Festival Ballet, has ied, aged 80. He founded the Festival Ballet with Alicia Markova and Anton Dolin in 950. He left the company in 965 and later described his tay as "the most difficult, roublesome, happiest period in y life."

National Gallery

The Pageantry and Poetry of Veronese

by DENYS SUTTON, Editor of Apollo

Sixteenth-century Venice was a glorious place for an artist. The works produced there include many of the grandest European paintings, which have long won the hearts of British connoisseurs. The Venetian school, which is well represented in our collections, has also attracted considerable critical comment from British writers. One distinguished historian of Venetian sixteenth-century painting is Cecil Gould, whose retirement from the post of Keeper at the National Gallery is marked by an exhibition of one of the most splendid Venetian pictures in the National Gallery—Veronese's *The Family of Darius before Alexander*.

Mr. Gould discusses the picture in an attractive booklet. He also publishes in it extracts from the letters of George Harris, British Consul-General for the Lombardo-Venetian states, then still under Austrian domination, to Lord Clarendon, the Foreign Secretary, relating to the purchase of the painting from the Pisani family. These reports provide fascinating information abotu the history of collecting in Victorian times and underline the role played by Otto Mundler, Eastlake's travelling agent.

The idea of showing this painting on its own is an excellent one. It forces the visitor to reflect upon the contribution of Veronese; the provision of an X-ray of this large composition provides fresh information about the master's technique. A comparison between the X-ray and the finished work shows that Veronese made only few changes; one afterthought was the addition of the horses in the far distance. Veronese knew what he wanted to say before he started work.

This famous painting, which won the admiration of Goethe and Ruskin among others, typifies the best elements in the Venetian sixteenth-century tradition—rich, sonorous colour, harmonious design and elegant, spirited handling. Veronese is seen in this picture, as indeed in other works, as a superlative creator of large-scale decorations: the intellectual effort that contributed towards the production of such a work must have been considerable.

Veronese is a painter who knew the right way in which to use colour and form to illustrate a story, one in which psychological insight is not absent. The story which forms the subject of the picture is an interesting one: the mistake in identifying Alexander that occurred after the Battle of Issus.

At first glance, one is tempted to interpret the picture as no more than a pageant painting. The theme would have appealed to the first owners of the work, the Pisani family, for whom it may well have been painted as a gift; it was probably destined for one of their country houses. To see it as a "decoration" alone would be to miss some of its special qualities. This is a picture with undertones, such as are constituted by the introduction of the dwarf and the monkey. Their presence in the composition suggests the mystery and ambiguity that are symbolical of the subject of the picture; mistaken identity is a stock-in-trade of drama and opera.

The subject permitted Veronese to pay tribute to the restrained voluptuousness of Venetian women; the men are as handsome as they are noble. We are left in no doubt that the curtain has been raised on a grand and touching story; in turn, we are ennobled by the gorgeousness of the colours—the crimsons and greens are superb—and by the classical restraint of gestures, which would have won the approval of Corneille or Racine. The setting, that of some palace, has allure. Veronese's gift for evoking atmosphere is shown in the impressionistic figures on the balustrade.

The exquisite quality of the details, as well as the nature of the commission, would imply that the picture was painted by Veronese without any studio assistance. The handling reveals his enjoyment in executing the work; such passages as the monkey and the shield possess a lyrical quality that relates them to *bel canto*. Veronese is one of the most musical of artists. This painting makes it easy to understand Veronese's appeal to Rubens; the relationship with G. P. Tiepolo is evident. How pleasing, in fact, to be reminded of the continuity of tradition.

Of all the great Venetian masters of the period, Veronese is perhaps the least studied. He was born in Verona, probably in 1528 and died in 1588. He married the daughter of an obscure artist called Badile, under whom he had studied. Once settled in Venice he undertook a variety of decorative commissions—the paintings in the Church of San Sebastiano are among the most successful—and he is known to have been arraigned before the Inquisition in 1575, on account of his large and marvellous *Feast in the House of Levi*, now in the Accademia in Venice.

Veronese's pictures offer little ammunition for the lover of chronology; he was able to paint in whatever style suited the commission and his paintings show little development within each category. In any event, what counts about Veronese is his ability to convince us in terms of colour and form of the visual reality of a composition. What a fortunate chance to be able to conclude a long and happy time as a regular critic by writing about a masterpiece from Venice!

*

This is Denys Sutton's last article on fine art as a regular contributor. His connection with the Financial Times arts page is long and distinguished: he was one of the pillars on which it was built. Fortunately he will continue to write the occasional article, concentrating on the American art world.

Collegiate

The Grand Duchess of Gerolstein

by RONALD CRICHTON

Park Lane Opera's contribution to the Camden Festival is Offenbach's *Grand Duchess*—how long ago was the last professional production in London? A successful French recording with Crespin in the title-role and the general popularity of Offenbach, between them directed attention to this lampoon on military and political ambition in a tiny German principality (the real target of course was much nearer home). Though Crespin's style, gusto and command of inflection in song and speech are a feast in themselves, the title-role in which Hortense Schneider had her most famous triumph does not demand a grand opera singer.

The latest claimant to the capricious throne of Gerolstein is Patricia Routledge, gifted and experienced actress in straight and musical comedy. And very good she is—how many people, I wonder, had realised how well and stylishly she could use a voice not full by operatic standards but capable of making points musically as well as verbally in circumstances where big opera voices without the right style are merely in the way. Miss Routledge looks extremely handsome in her court costume with the miniature crown perched on her head like the photograph of Schneider more outrageously regal than any real Grand Duchess.

The streak of burlesque is strong but firmly controlled—Miss Routledge must not allow it to go further even by the distance of a raised eyebrow. Her gestures are grand and wicked and dexterous in the sabre song. This number, and the utterly different declaration-at-one-remove ("Dites-lui" in the original) are the two high spots. Those among our opera singers not perfteely at home in operetta can learn from Miss Routledge's expert projection and timing and from the variety she brings to her dialogue—Meilhac and Halévy Englishised by Christopher Renshaw (also the producer), Geoffrey Dunn being responsible for the lyrics.

The great merit of Mr. Renshaw's production is to have got the tone right. Music and book are played for what they are worth: there is no attempt at inflating a quite intimate satire into a show, no violent anachronising of the dialogue. For this welcome restraint he may be forgiven for relying so much on D'Oyly Cartesian dance routines and (worst in the first scene of all) chorus clichés. The ladies of the Park Lane Chorus are much better than the men, though these improve once they have got out of too obviously unfamiliar uniform.

David Hillman plays Fritz, the private soldier dizzily promoted by the amorous Duchess to Field-Marshal and equally swiftly demoted because he is faithful to his simple Wanda and is worsted in a battle that isn't the kind he was looking for. Mr. Hillman's enjoyment of his sudden good fortune — half complacent, half suspicious, is nicely calculated. Meryl Drower is Wanda, a much-tried girl with some good things to sing. The three sharply-contrasted conspiring comics, John Gibbs (General Boum), Emile Belcourt (Baron Puck) and Bernard Dickerson (Prince Paul) perform their grand opera send-ups with gleeful relish.

Tim Goodchild's scenery is pretty and appropriate even if one feels some of it has been seen before — there is no reason why designs for non-spectacular operetta should be new or original. Vilem Tausky conducts. On Wednesday of last week the overture was heavy and some tempos were on the deliberate side (but not the sabre song, beautifully judged) for a score which needs speeding up in the second half if Acts 2 and 3 are to be played without interval. In detail the Park Lane Music Players were excellent, and the balance completely refuted the impression sometimes received in the Collegiate Theatre that the pit eats wind tone. Further performances to-morrow, Wednesday, and Friday, March 31.

Jack Hulbert

Jack Hulbert, who died in London at the week-end at the age of 85, was a most attractive comedian of a type that hardly exists any more. He retained through a long part of his long career an illusive quality which suggested, in spite of a faultles technique, that he was still an undergraduate doing the whole thing for fun. In his later years —and he was still working earlier this year—he played mature parts, yet the bouncy voice and the mobile, long-chinned face irresistibly brought back the young man one remembered singing such characteristic songs as "My hat's on the side of my head."

He will be mostly remembered to-day for such shows as *Under Your Hat*, *Something in the Air*, and *Under the Counter*, where he played opposite Miss Cicely Courtneidge, as she was then. Yet he had been working on the stage and in films since 1913. His films were as miscellaneous as *The Ghost Train*, *Jack's the Boy*, and *The Camels are Coming*; they were always vehicles for that amiable personality, whatever the surroundings.

From time to time he went into management, on his own or in partnership with Dame Cicely Courtneidge, his productions including such hits as *Lido Lady* and *Clowns in Clover*. He was author or part-author of several shows and wrote a number of books. In 1916 he and Dame Cicely contracted a long and happy marriage.

— B.A.Y.

Round House

The Hunch

by B. A. YOUNG

Why should I fight for words to describe what is presented by this nine-strong male Dutch company when one of its members provided them in a prologue? "What we are going to serve you," he says (in English), "is a mixture of flow and overflow, presented in such a way that one can hardly speak of this, that or the other," and he has hit the nail bang on the head.

Hauser Orkater, apparently the name of the company as well as its producer and director, would never hit a nail on the head. They would eat it, or play a tune on it, or make love to it, for they studiously avoid the rational. A man picks up a flugelhorn from the stage. He throws it to another: "Not for me," says this one, and throws it back. They throw it a dozen times in a yes-it-is, no-it-isn't conflict, then stop for no good reason. No one plays it, then or any other time.

When we have a romantic popular song (it contains the moving couplet, "Babababmbi, I can still smell you. 'Cos I'm wearing your T-shirt"), it has to be sung by a man clothed only in a G-string who has just been giving sculptural poses. The piano, on the lid of which a man in drag plays an absurd seduction routine with the pianist, is decorated with a stuffed pheasant. Here we have a clue to the company's system; they are rediscovering André Breton's wonder at the chance encounter of an umbrella on a dissecting table. Surrealism lives again.

There is a lot of music, some of it amplified to the point of discomfort, as the fashion is to-day. Mostly it occupies the artistic wilderness where you will find up-class pop music like the Pink Floyd's, though sometimes it moves a step higher into the superior meaninglessness of contemporary jazz. But the company play their various instruments with some skill. A German song with the chorus "Weisst du wer ich bin" wafted me back to the world of the Blue Angel, but, of course, the singer has to send it up. The finale is a kind of toccata for nine drums which I thought immensely exciting. Connoisseurs of popular music would find it worth going to the show just for this.

"Do we really understand one another?" asks the speaker of the prologue, turning to an epilogue. "Doesn't each of us sail too often by his own home-made compass?" Hauser Orkater seems to sail too often with no compass at all. A more polished stage technique, a more certain knowledge of how long a given joke can be made to last, would improve the show no end. It never bored me. I was curious to know what was coming next; but I was amused less often than I should have been.

Covent Garden

Manon

by CLEMENT CRISP

Manon returned to the Opera House reperatory last week and received a performance which caught very acutely its theme of innocence destroyed. The Manon of Jennifer Penney who steps down from the coach is radiantly pretty and quite unspoiled. Within minutes of her arrival in the coaching-inn yard, she has become a piece of marketable flesh, and it is a tribute to Penney's lovely performance—which I would judge the best interpretation I have ever seen her give—that through all the subsequent vicissitudes, Manon's character retains something of this first girlish freshness.

Penney's dancing was both freer and richer in emotional texture than before: the chain of glorious duets with Dowell's des Grieux was exemplary in dramatic truth as is technical sweetness. Anthony Dowell was no less compelling. Des Grieux has lengthy passages in which he is a passive observer of Manon's career; these Dowell fills out with remarkably concentrated playing, the character never dissipated or allowed to flag. In dancing he is the soul of lyric ease, the unerring rightness of his line a constant joy.

David Wall was the Lescaut. He contrives to show all the menace that lurks just beneath the surface charm of this opportunist rogue: it is a portrait in depth, and the drunken duet (with Monica Mason stunning as his mistress) was a triumph of balletic humour.

A dedicated performance came from the entire company—Derek Rencher's G.M. merits every praise—and Barry Wordsworth did much to enhance the drama of the score. The scene changes remain disillusioning: does no one at Covent Garden care that white shirts are clearly visible during supposed "black outs"?

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day March 2' 1978

Waiting for Mr. Begin

ONLY Israel's isolation and perplexity in the face of President Anwar Sadat of Egypt's peace initiative can fully explain the way in which the clearly divided Cabinet rallied behind Mr. Menahem Begin at its meeting on Sunday. He returned from Washington having failed to win President Jimmy Carter's support for his fundamentalist views about the terms of a Middle East peace settlement or to overcome the U.S. leader's lack of faith in his ability to negotiate one. Arriving in the wake of Israel's invasion of Lebanon, Mr. Begin has further antagonised the U.S. Administration and hardened its conviction that he, rather than Mr. Sadat, is the stumbling block stalling the peace initiative. At the same time, Mr. Begin has done nothing to recover the support of U.S. public opinion lost because of his rigid stance on the question of Jewish settlements in the occupied territory and his re-interpretation of UN Security Council resolution 242, to exclude the West Bank from its provisions.

Settlements issue

The possibility of the U.S. applying pressure would have been one reason for the Cabinet solidarity patched up by Mr. Begin which, before the Fatah raid on March 11 and the subsequent invasion of lebanon, he acknowledged to be "in a mess." The main issue dividing it was the question of the Jewish settlements — whether the programme should be pressed ahead at the risk of the peace talks and whether the Government should insist in negotiations that settlements in Sinai should remain in being even though they might remain in territory eventually returned to Egypt's sovereignty as part of an overall peace agreement. Realising how serious the implications were for relations with the U.S., Mr. Ezer Weizman, Minister of Defence, while visiting Washington, ordered a halt to work on two settlements being started on the West Bank, threatening his resignation. Last week, in Mr. Begin's absence. Mr. Weizman called for a broad-based "National Peace Government," to include the Labour Opposition, in what seemed to be a major challenge to the incumbent Premier.

Mr. Carter probably welcomed the dissensions within the Israeli Government and other manifestations of public opposition to Mr. Begin's intransigence in putting territory before peace. Yet one factor helping to close ahe ranks behind the Israeli Prime Minister was said to be the remark alleged to have been made by a senior U.S. official to the effect that Mr. Begin would have to resign if there was to be a chance of peace. That might have seemed an unwarranted intrusion into Israel's internal affairs but the remark, as reported to have been passed on to Mr. Moshe Dayan, Foreign Minister, would no doubt reflect the thinking of Mr. Carter. Meanwhile, the confidence of the Israeli electorate in Mr. Begin has presumably been undermined by his inept conduct of foreign policy, especially his handling of relations with the U.S. on which the Jewish State is so heavily dependent for support.

Israel's relations with the U.S. may be further strained because of Israel's insistence on staying in the south of Lebanon until it is satisfied that its security from Palestinian rockets is guaranteed. The prospects for that depend greatly on Syria's will or ability to keep the guerillas under control and, in turn, on Israel's readiness to let Syrian troops take up positions on River Litani. At present the embryonic UN force is obviously incapable of enforcing a ceasefire and in the last analysis its success may rest upon whether its contingents are prepared or allowed to take measures beyond "self-defence."

Appeal to Mr. Sadat

While the unity achieved in the Israeli Cabinet may prove to be short-lived, the one positive decision emerging from the meeting seems equally dubious. Mr. Begin is to appeal to Mr. Sadat for a resumption of direct negotiations. Mr. Sadat, however, is unlikely to want to continue the dialogue unless he receives some indication that Mr. Begin is prepared to be more flexible about settlement, to concede the principle of withdrawal on the West Bank and to contemplate a form of Palestinian self-determination far greater than envisaged in the Israeli peace plan presented in December. Clearly, following the confrontation in Washington, the U.S. can report to Cairo no real movement on the questions over which the dialogue started by Mr. Sadat's initiative foundered in January.

Competition and prices policy

THE LATEST voice to call for a merger of the Price Commission and the Monopolies Commission is that the Lord Cockfield, who was chairman of the Price Commission from its inception in 1973 until last summer. In an article in the current issue of the *Three Banks Review*, he says that his experience of administering price controls points to two main conclusions. One is that, while price controls may be necessary at times when drastic measures are required, their real justification is as the other half of a pay and prices policy and controls of that character cannot last for very long. The other is that there is, nevertheless, a need of a permanent body to protect the community at large in the field of pricing.

Conflict

This is because there are areas in the economy where competition is effectively limited by market domination, price leadership, parallel pricing, unwillingness to compete in price, or by what Lord Cockfield describes as a cost-plus mentality in which the instinctive reaction to cost increases to pass them on rather than absorb them in greater efficiency.

This line of argument is a familiar one, and is frequently used by Mr. Roy Hattersley, the Prices Secretary. It takes prices policy into the field of competition policy and brings the activities of such a body as Lord Cockfield describes into conflict with those of the Monopolies Commission. The problems this can create are already evident from the move of the present Price Commission in such a direction. In its latest quarterly report, the commission has stressed the importance which it attaches to the degree to which competition is restricted in deciding whether to investigate the justification for a price increase. As Lord Cockfield points out, the more that prices policy travels down this path, the less justification there is for having two separate bodies.

A case can be argued for transferring the functions of the Price Commission to the Monopolies Commission so that the latter body would in effect have two divisions, one for short-term and the other for long-term studies of structure and performance; and for empowering the Office of Fair Trading to make references to whichever of the two divisions seemed appropriate in each case. But organisational matters such as this are less important than the question of the form a strengthened competition policy should take.

The classical response would be two-fold. First, where competition is weak, structural changes should be encouraged so as to widen the scope for competition. There are very real practical difficulties in this approach as the experience of the anti-trust authorities in the U.S. and West Germany as well as here has demonstrated. Second, competition should be increased by tackling abuses of market power such as unfair pricing or discount policies.

Limit

Lord Cockfield may be right when he says that in his experience active and deliberate abuse is less of a problem than a general attitude of non-competitiveness. However, the danger in this line of reasoning is that it can be used to justify scrutinies of efficiency, profits and company strategy of the kind the Price Commission is now conducting. Investigations of this nature can be concluded only by resorting to value judgments, which creates unpredictability and uncertainty. They are also so limited in time as to be of little real value or alternatively lead to a semi-permanent system of surveillance, which breeds hostility towards the investigators and reduces their effectiveness.

Three faces of Merseyside: The Triumph No. 2 works at Speke; London Road, Liverpool; vandalised flats at Kirkby

The grim Mersey Sound

By RHYS DAVID, Northern Correspondent

A SENSE of bewilderment has prevailed on Merseyside over Easter. Nothing much might have changed on the surface, but the area's industrial base over the past four weeks has seemed to be crumbling. With unemployment already around 90,000—12 per cent. of the labour force—a further 6,500 jobs have been lost or are under threat as a result of decisions by three major employers, British Leyland, GEC and Lucas, to close down or cut back their operations. A fourth, Unilever, decided only last week not to carry out its threat to sack 1,200 workers at its Birds Eye plant at Kirkby.

Merseyside is clearly facing its biggest post-war crisis. The area, and its core of Liverpool city in particular, is near the top of the UK list on all the standard tests of economic hardship. As if the high level of unemployment—which rises to more than 30 per cent. in some parts of the inner area—were not enough, the area as a whole contains a very high proportion of unemployed young people. In January this year there were 16,500 between the ages of 16 and 18 who had been unemployed for more than six weeks.

The physical environment matches the problems of the population. Liverpool's waterfront, with its three famous landmarks—the Cunard, Liver and Mersey Docks buildings—remains solidly impressive, and behind it there has been city centre redevelopment bringing new office and shopping precincts to blend as best they can with the other monumental public buildings left over from the port's heyday. But the city centre adjoins a broad swathe of land in which cleared areas, slum properties and housing development stand side by side. Beyond this lie the older private and council residential suburbs and the bleak newer estates of Knowseley, Kirby and Halewood which, in defiance of the planners' best intentions, are now beginning to reproduce many of the economic and social problems which were supposed to disappear with the slums.

A grim picture of Liverpool—admittedly specifically related to the inner urban area—was provided in a consultants' report published by the Department of the Environment at the end of last year which pointed to physical decay as the most striking impression given by the inner city, relieved only by some of the new council housing estates and small areas of housing improvement. "It is evident in the abandoned docks and railway sidings, the empty warehouses and boarded up shops. Decay is seen, too, in the neglect of many council estates and in the crumbling facades, broken-down back lanes and derelict houses in the terraced streets," the report concluded.

It is all a far cry from the much more buoyant image which Liverpool was projecting even 10 years ago.

Dream into a nightmare

The question that is bemusing Merseyside is what went wrong to turn the dream into a nightmare of unemployment. Is there something wrong with the raw material—the people of the area—to justify the new tag of *Merseyslide* or, at the other end of the scale, has there been a conspiracy by employers who have taken their cue from Leyland and decided that if the State car maker can get out, they, too, can use the area to achieve reductions in overall employment totals.

There are now a myriad explanations of the Merseyside problem, but it is perhaps worth pointing out that when set against the size of the problem Liverpool has had to cope with over recent years, the record has not been all bad. The city has had to deal with a bigger problem of slum clearance than practically any other part of the U.K. Indeed, in dealing with the appalling housing conditions which resulted from the mushroom growth of Liverpool based on the cotton trade, more than half the city's population has been moved away since the 1930s.

At the same time, the area has had to cope with major changes in the structure of the local economy. Employment in the port has dwindled to less than half over the past ten years from 18,000 jobs to 8,000 as a result of changes in cargo handling methods. In other transport fields, including the railways, there have been losses on a similar scale.

To offset this, it is estimated that regional policy has created 100,000 jobs in manufacturing on Merseyside since the war. But the effort has failed to keep pace with the rate of job loss—80,000 disappeared in Liverpool city alone between 1961 and 1971. Since then, there has been an acceleration in the rate of loss.

A further problem for Merseyside has been that the process of technological change which affected the docks in the 1960s is now under way in some of its other basic industries. One recent example is sugar. Tate and Lyle, which operates several refineries in the Merseyside area, is reducing its labour force by around 1,000 as a result of the U.K.'s switch from cane to beet sugar. The company is investing in new ventures, including sugar-based chemicals, but there will still be a job shortfall. The Port of Liverpool, after recovering from its financial collapse in 1971, is now faced with two new problems: it will lose much of its bulk oil trade as a result of Shell's development of new oil handling facilities off Anglesey, and if the British Steel Corporation abandons iron and steelmaking at Shotton, it will lose the iron ore trade which now passes through Birkenhead.

Companies flourish

At the same time, it is worth pointing out that Merseyside remains a very substantial manufacturing centre. Companies as successful as Pilkington Bros. at St. Helens, British American Tobacco, Beecham, Dunlop, Kodak and Littlewoods have been able to flourish. Cadbury Typhoo, which already has a plant on the Birkenhead side of the Mersey, has also recently decided to move its tea-packing from Birmingham into the area to take advantage of the special development area grants available.

But although the Liverpool problem needs to be put in perspective in this way, it nevertheless remains the case that a number of new industries attracted to the area have for one reason or another failed to take root.

With several of the most recent closures coming in the wake of strikes, the finger is inevitably being pointed at Merseyside's industrial relations. But although there have been damaging disputes it is difficult, on the evidence, to sustain the view that the area is inherently more strike-prone than many other parts of the U.K. Ford, despite a recent stoppage, is apparently broadly satisfied with its experience on Merseyside, where its Halewood factory close to Leyland's Speke plant is responsible for producing its best-selling Escort range. The plant is due to receive a share of recently-announced major investments by the company in its British plants.

Apart from its troubled Birds Eye plant at Kirkby, the parent company Unilever has more than a dozen other major works in the area including most of its big soaps, fats and detergents factories. These are rarely involved in disputes.

Even the Port, which has perhaps been mainly responsible for tarnishing Merseyside workers with the image of mindless militancy, has had a good record over recent years.

According to the county authorities, 95 per cent. of all companies were not involved in any stoppages over a recent three-year period. But there is plenty of evidence that the labour force needs to be matched by good management, and this is perhaps one reason why U.S. companies have in general fared better than some of their U.K. counterparts.

In a revealing series of interviews published by Merseyside County Council and aimed specifically at countering the poor industrial relations image, a number of leading industrialists who have plants in the area make the point that labour relations on Merseyside is hard work but if tackled in the right manner need not be a minefield. There is a legacy of strong group solidarity, partially explained by the docks traditions of most families in the area.

There is little doubt, too, that because of the history of job insecurity on Merseyside employers are constantly up against pressure to over-man. They can find it very difficult, as did Courtaulds at Skelmersdale, to reduce manning levels to the level necessary for efficient operation once the workforce has been hired. Essentially, however, this is a management problem which the more successful employers on Merseyside have overcome.

Britain's share

Thus while there are some specific problems attached to industrial relations, it is difficult to avoid the conclusion that the setbacks which U.K. industry as a whole has suffered over recent years are equally the cause of Liverpool's difficulties. Most of the new plants attracted to the area in the 1960s were built on the assumption that world trade would continue to expand and Britain would at least maintain its share. British Leyland, however, is now building fewer cars than when it began its expansion outside the Midlands in the 1960s. Courtaulds' plant at Skelmersdale was similarly designed to win for Britain a major share of the market for bulk fabrics, an objective which was never achieved. Thorn, which also closed a plant in the town, was unable after the initial colour television boom, to compete against Japanese tube imports. Redundancies at Plessey and Lucas appear to be the result of the loss of markets through changes in technology.

But although it is possible to offer explanations, the fact now is that Merseyside has acquired an aura of lack of success and it is this which is making it difficult for the area "to sell Merseyside." There is also the problem of the population beginning to lose confidence in itself as a result of the constant buffeting it is receiving from closures and continued examination of its alleged defects. There are the morale-sapping effects of unemployment itself. In Liverpool, the number of men out and about shopping in the city centre or around the estates is already noticeable and there are other more sinister side-effects. In some parts of the city there are now high levels of petty crime and vandalism.

Against this complex background of economic and social problems there have inevitably been calls for further radical new government initiatives, including the establishment of a Merseyside development agency on the lines of the Welsh and Scottish agencies, with a large budget and wide-ranging powers to promote investment in the area. There are indications, however, that the Government is reluctant to undertake such a move because of the pressure that would arise from other areas. Merseyside County Council would in any case look askance at a new body operating within its territory. The Council is itself planning to move further into industrial promotion by giving its own development body, the Merseyside Industrial Development Office, wider powers covering land acquisition and clearance, as well as attracting industry. In its new form the body, to be known as the Merseyside County Economic Development Office, will be answerable to a new County economic development committee. And providing the Conservative-controlled Council agrees, it could, like the Scottish and Welsh agencies, invest money in local enterprises and start new businesses. The Council has also promoted a Bill in Parliament to give it increased development powers.

The Department of Industry has now received the first report of a team of management consultants who were asked six months ago to come up with new ideas for attracting investment to the area. In addition, the Government has before it a report from the National Enterprise Board advocating further measures to build on the service base and port facilities of Liverpool.

It remains to be seen how effective these various programmes can be in the absence of some upturn in the economy. There is a feeling in the area, however, according to Mr. Ray O'Brien, the County's new chief executive, that the worst may be over and that the days of being buffeted around by economic forces are perhaps behind Merseyside.

If this proves not to be the case, or if the economy of Merseyside takes many more knocks, the demands from MPs and others for direct Government intervention in one form or another are certain to become more strident.

MEN AND MATTERS

Paymasters feel pain

Our Prime Minister and First Lord of the Treasury, James Callaghan, may have allowed himself just a sneaking feeling of satisfaction this wee-end at seeing the staff of the International Monetary Fund threatened a little with the practice of what they preach—austerity.

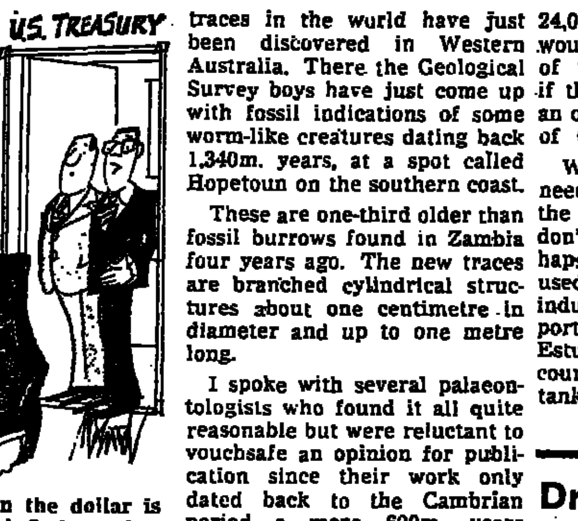
The campaign to reduce the salaries of employees of the IMF and the World Bank was begun by the Republicans. There were thus audible sighs of relief when the Democrats came in. However, Carter's men too have been crusading against those "bankers above suspicion"—so much so that over the week-end 400 Americans working for the Fund delivered a letter to Treasury Secretary Michael Blumenthal protesting at U.S. efforts to cut their pay.

It is all a bit of a turn around for the men who spend much of their time telling countries to introduce wage restraint. It brings back the memory of those days two years ago when the staff of the World Bank and the IMF actually contemplated going on strike about pay.

At one point the senior staff thought they had headed off U.S. pressure by bringing in an external consulting firm — Coopers and Lybrand of London —to compare their (tax-free) salaries with those in similar jobs.

The Coopers report is secret, but my informants tell me that it thought senior staff were relatively underpaid and junior and middle staff were probably getting too much.

Not just pay, but also fringe benefits have been under attack. The World Bonk's president, Robert Mcnamara, has made a point of travelling economy class and last month the Bank sharply reduced first-class air travel privileges—only to be embarrassed by the revelation that a considerable percentage of staff travel has been on Concorde.



"His advice on the dollar is that we should find another adjective for 'Almighty'!"

The U.S. executive director at the IMF, Sam Cross, has voluntarily accepted a one-third cut in his salary to around $50,000 per year. He has also been playing the heavy role of seeking to reduce the salaries of others. Many find him one of the nicest men in the international monetary scene, but Callaghan himself might just have remembered that he played a sizeable role in the tough negoations leading up to the U.K. standby credit of December, 1976.

Worming away

I remember being taught that the recorded history of Australia is shorter than that of the sandwich. But now it seems that Down Under is coming out on top. British palaeontologists were telling me yesterday that they find "perfectly plausible" a week-end report that the oldest animal traces in the world have just been discovered in Western Australia. There the Geological Survey boys have just come up with fossil indications of some worm-like creatures dating back 1,340m. years, at a spot called Hopetoun on the southern coast.

These are one-third older than fossil burrows found in Zambia four years ago. The new traces are branched cylindrical structures about one centimetre in diameter and up to one metre long.

I spoke with several palaeontologists who found it all quite reasonable but were reluctant to vouchsafe an opinion for publication since their work only dated back to the Cambrian period—a mere 600m. years ago. The British expert on Australian trace fossils is Dr. Roland Goldring, of Reading University, who has worked on the finds in Ediacara Mountains north-west of Adelaide. Yesterday he and some students were up to their ankles in the heather of remotest Scotland—perhaps checking on whether the Hopetoun band had burrowed through to Up Over.

Air and water

The Japanese government seems all at sea about what to do next with its riot-torn, £1.3bn. Narita airport. Perhaps it would have been better if they had put it out to sea in the first place. With a splendid sense of timing, the Shipbuilders' Association of Japan is about to publish a floating airport design. It is claimed that offshore airports, making use of the latest steel technologies, are perfectly feasible—and also safe (from demonstrators as well as bad weather, perhaps).

The association says it has produced its scheme in response to the need to cut pollution and noise effects on populations. The airport would be sustained on 24,000 supporting floats, which would mutually offset the effect of the waves. An ideal site, if the Japanese decide to build an offshore Narita, is in the Bay of Osaka.

With the seemingly endless need to extend Heathrow, and the nagging debate about London's crowded air corridors, perhaps we could put our underused steel and shipbuilding industries on to building an airport at the end of the Thames Estuary. The big problem, of course, would be to stop supertankers from blundering into it.

Drop time

East Germans can merrily tune into the radio and television stations of the West, but there is still only token availability of western newspapers and magazines. Basket Three of the Helsinki Declaration notwithstanding, diplomates are under orders not to dump their old newspapers in embassy dustbins. Instead, they have to wait for the Service Agency, a government organisation, to call to collect. That cal tends to be one which does not come—so the piles of papers grow. The diplomats, resourceful as ever, have a solution. They telephone the Agency and say they are about to fill the nearest street garbage can with forbidden reading. Within hours, Honnecker's drivers are at the door.

Sinking feeling

A notice in a Surrey school gives details of swimming lessons for junior pupils. It ends with the observation that "Learning to swim is as easy as ABC"—to which has been added in a youthful hand: "Whatever that is."

Observer

GIs: The new poor men of Europe

BY GUY HAWTIN, Frankfurt Correspondent

IT IS perhaps ironical that German citizens, who as children begged bubble-gum and chocolate from well-heeled American soldiers, are to-day sending food parcels to help out financially strapped U.S. military families. The steep decline in the dollar's value has hit the U.S. Army in Germany very hard and it is difficult to avoid the conclusion that it has severely damaged morale — perhaps enough to cause some concern among America's Nato allies.

It has been a very long time since the dollar fetched DM4 and a U.S. sergeant was better off than a respectable German bank manager. The U.S. military presence has been reasonably "low profile" since those heady days. One rarely sees the familiar green fatigues far away from military installations and housing areas. One sees quite a number of cars bearing the Green American forces registration plates issued to military personnel for their private cars. However more often than not they are on old jalopies that would be hard pressed to pass the West German statutory vehicle test rather than the long sleek American models of yesteryear.

But although free-spending American soldiers have not been around for many years, the dollar at DM2.50 allowed those who have to live "on the economy" an adequate, if frugal, life style. However, with the dollar bringing in around DM2, many who previously just scraped by are now living in what can fairly be described as poverty.

The fortunate military families live in U.S. military housing areas. These are relatively unaffected by the financial implications of the dollar's decline. They effectively live in a dollar economy. Goods in the ubiquitous PX — the Post Exchange—may in some cases be a little more expensive than they are in the U.S., but they are far, far cheaper than the prices the average West German has to pay. More important they do not have to pay for rent and services.

Likewise, the unmarried soldier lives in the dollar economy. He is housed in barracks on army bases.

Things are not so easy for the "command - sponsored" families who have to live in the local economy. These are families of soldiers who meet the army's special seniority rules which entitle them to be transported free to Europe and to receive cost of living allowances Their rents are usually payable in Deutsche marks and they also have to pay for their services — electricity, heating and the telephone that every U.S. soldier who lives off base is obliged to have — in West German currency. The U.S. Army pays them a cost of living allowance but it has failed to keep pace with the fall in the value of the dollar. Although they have some cushion, they are still out of pocket.

Hardest hit

The hardest bit are the families of non-command sponsored personnel. While they may be of fairly senior rank, the vast majority are junior enlisted men and NCOs with less than two years of service. Their numbers appear to have been increasing as Congressional pressure on military budgets has forced the Pentagon to increase the proportion of men not entitled to command sponsorship in European postings.

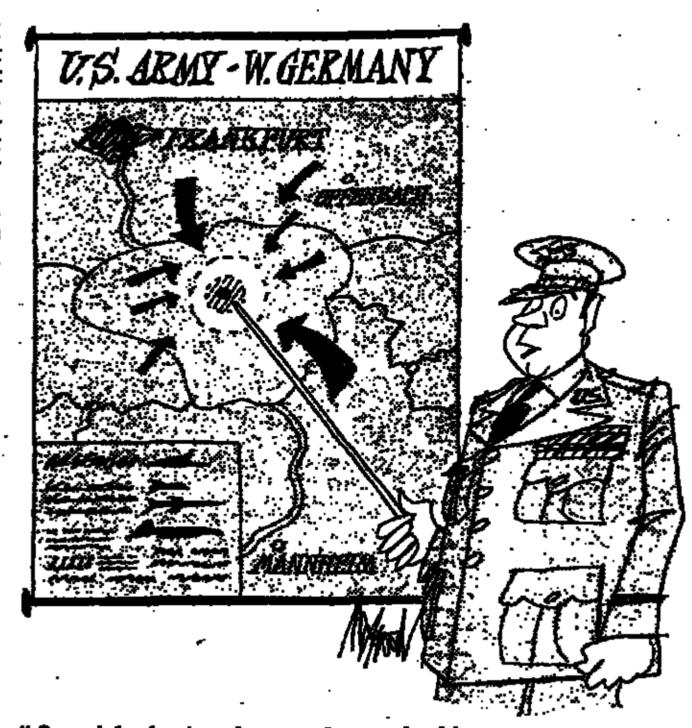
A large number of married non-sponsored personnel have elected to take their wives and families to Europe with them at their own expense. For most of them life was difficult with the dollar at DM2.50. At current levels, for those without working wives, it is virtually impossible.

The plight of the non-sponsored U.S. servicemen has not gone unnoticed by the West German population. While a few may have displayed a certain amount of glee at the reverse in America's fortunes, the majority appear to have been more than just sympathetic neighbours have been helping the poorer families out with gifts of food. Landlords have lowered rents and, in some instances, collections have been taken in order to provide financial relief.

In Augsburg, Bavaria, a military chaplain set up a fund to buy a bus to take dependants of military personnel living in out-lying areas to the U.S. army's shopping facilities — transport having become too expensive for many of them. Word spread to the citizens of Augsburg and contributions from ordinary German citizens came flooding in. One man even donated a second-hand Volkswagen mini-bus.

Such kindness has not gone unnoticed either by the ordinary G.I. or his officers. However, it has proved a considerable embarrassment to a military whose motto is: "The Army looks after its own." It is understood that the chaplain who set up the account was carpeted and told to close down the fund.

This does not mean that the army commanders are lacking in sympathy for the "non-command sponsored" families' plight. General Alexander M. Haig, Supreme Allied Commander in Europe, said recently that the financial hardships suffered by junior grade servicemen was harmful to morale. On food packages, he said: "I do not feel very proud of the need for that to happen."



"Our job is to clear and mark this area so that our Allies can swoop in and drop their food parcels for our nearest and dearest!"

All over West Germany, commanders have been bending rules to help out the non-sponsored dependents. For instance, some have used military buses—which should be used strictly for military business—to transport dependants to the PX shopping facilities.

Furthermore, from the beginning of this month junior grade non-command sponsored families have been allowed to draw housing and cost of living allowances at "with dependants" rate. But even with the allowances, life will still be very difficult for the some 16,000 non-sponsored families living in West Germany. Many of them receive barely $500 a month—about DM1,000 at the present exchange rate—and this is scarcely sufficient for a single student to live on in what is one of the most expensive European countries. The "with dependents" allowance means that the equivalent of a corporal will receive a housing allowance of about DM190 a month against the DM135 paid in February. This, however, is less than half the average DM400 a month rent one would expect to pay for an extremely modest flat here. To put the DM55 increase into perspective, it is only a little more than one would expect to pay for a hamburger meal, with all the trimmings, for four in one of the better Frankfurt or Wiesbaden hamburger joints.

There are, however, limitations to the army's ability to look after its own. The situation has become so serious that commanders have sought approval for a nine-month trial of a scheme to allow junior servicemen's families to eat in army canteen facilities.

Meanwhile servicemen claim that there has been an alarming increase in families breaking up either temporarily or permanently as a direct result of financial difficulties. One man told me: "The pressures are just too great. When a man cannot support his family something has got to give. Many guys are packing their wives and kids back to the States—at least they can get food stamps over there."

A factor that exacerbates the difficulties of many families who live off-base is their isolation from both the military community and the local German community in which they live. Distance cuts them off from the military, the language barrier divides them from the Germans.

Isolation

The military commanders are well aware of this and many have taken steps to combat the sense of isolation. In the Frankfurt, Wiesbaden and Darmstadt areas community meetings have been held and, with command approval, what amount to parallel municipalities have been set up. The communities have elected "mayors" and appointed officers such as "commissioners for housing" and "commissioners for public works." Their jobs are to liaise with both the command and the local community within which they live in order to solve problems as they arise rather than leaving them to fester.

Undoubtedly, such projects are valuable. For instance, at one such meeting I attended, a senior NCO, who had lived long in the locality and spoke good German, was able to explain to non-sponsored wives that for DM1 the excellent local train service would deliver them to the PX in six minutes.

Community projects of this kind do little, however, to solve the G.I.'s basic need — money. One enlisted man told me: "What do you think it does to a guy manning the border to be constantly worrying if his wife has got enough money to feed the kids. Morale has to suffer."

A senior sergeant said: "Don't get the idea that the U.S. soldier won't fight. Nothing has changed about the American fighting man. He may be short of money but he is just the same as ever he was." His words were echoed by many others, but many of them admitted that they were going to be leaving the military at the end of their current tours.

Indeed, there is strong evidence of an increasing drain from the army of the people it can least afford to lose—the senior non-commissioned officers. For them, however, shortage of cash is just one of a chain of morale-sapping changes that have affected America's new all-professional army. The withdrawal of the army from Vietnam, despite the fact that it was not defeated in the field, has done little to increase their confidence in their support back home. Congressional erosion of G.I. rights—formerly a model of American liberal legislation—has given them every incentive not to re-enlist.

Educational

Many sergeants have told me that one of the main incentives for joining the army was the educational benefits offered, one of the most important of which was university tuition at Government expense at the end of their service. It was probably this benefit alone that gave the U.S. army one of the most intelligent and articulate bodies of NCO's in the world.

A large number of the senior NCO's I have spoken to cited Congressional erosion of educational benefits as the main reason for quitting the military. One said: "If I do not leave the army at the end of the next tour I will lose my university tuition benefit."

It has become apparent that for many U.S. army families a European posting has become a trial by ordeal. There appears to be a growing sentiment summed up by one military wife who said: "Why should American soldiers come over here to defend Europe and have their wives and children go hungry. It is none of our business what happens in Europe."

The analysis may be unsophisticated. The conclusion is most certainly false, but this does not alter the vehemence of the feelings.

Letters to the Editor

The road to disaster

From Mr. G. James

Sir,—I am prompted to write to you because of the rather snide and superficial comments in your Lex column (March 20) about auditing standards. As a chartered accountant I am far from uncritical of the leadership my own Institute has shown, but probably from a very different viewpoint from your own correspondent.

The hard facts of the matter are that the 60 per cent. public sector is propped up and maintained by the wealth-producing and hard pressed private sector. Where my own profession has failed is not so much in the private sector, where the disasters are relatively insignificant, but in the public sector. It is the public sector with its inefficient monopolies in steel, railways, airways, coal, electricity, gas, and its interests in other areas like road transport, British Leyland, shipbuilding, which is the problem. These vast monopolies and all their allied interests have contributed more than anything to inflation and the collapse of our economy. If the position of local authorities is also considered, the overall effect is disastrous.

Members of my professional body and the other accountancy bodies hace the distinction of being more privy to the hard facts of financial life than most other people. They give advice to and audit everything from sole traders right up to large monopoly corporations, and have an intimate knowledge of their affairs. Within the membership there is, therefore, a real awareness of what is wrong. Instead of the hard truth emerging, however, members are sidetracked into considering inflation accounting and other irrelevancies — treating the symptom and not the disease.

The failure of the accountancy profession is that they have not had the courage to face up to Government and spell out the unpalatable truth. The issue is further complicated by the lack of proper financial controls and knowledge within the Treasury and civil service. The public sector has to be reduced drastically if we are to survive, let alone remain a free nation.

My own profession knows this but has done nothing about it. There are no proper rules or standard practices for auditing the public sector. The major accountancy firms audit the public sector monopolies and representatives of the major accountancy firms have dominated the Institute of Chartered Accountants. Large capital write-offs have taken place and accounting adjustments have been made which reduce assets and depreciation charges and interest charges, and multi million pound losses become "profits" in the next year. Public sector accounts are often only available on the payment of relatively substantial sums for printed copies. There is no readily available record of capital reconstruction in the public sector. Who remembers that British Steel wrote off £350m. in 1972?

There is, in my view, after two or three practical experiences, no real control whatsoever over the local authorities. District audit represents the "anything for a quiet life approach." No steps are taken until disasters occur.

G. R. James.
2, Laurel Road, S.W.13.

Changes in the shires

From the Greater London Council Member for Finchley

Sir,—Mrs. Elizabeth Coker of the County Councils' Associations spoils her case (March 21) by imputing arguments to me which I had not advanced. Far from believing that "everything" was wrong with the 1974 reorganisation of local government, I regard the reforms at district council level, although more drastic than those which enlarged the shire counties, as generally right, especially in the metropolitan areas where all the personal services — including education and social services—are administered together. The weakness lies in the shire counties where personal services are split between the two tiers. That is why over 30 district councils are now campaigning for their education and social services to be restored to them.

London is really not so very different from the rest of the country as Mrs. Coker may think. Where we departed from the Herbert Commission proposals (for example, by creating the Inner London Education Authority and not transferring Greater London Council Housing management to the boroughs) things went badly wrong.

Mrs. Coker says that there are no arguments to suggest that devolving functions would serve the public better. I do not recall any evidence that supported the 1972 Act's transfer of education and social services from the old county boroughs to the shire counties, but that aspect of the reorganisation attracted no opposition from county council circles. In fact the Act rejected the Maud Commission plan for single tier local government which arose out of extensive public examination of the problem carried out by the Commissioners.

I remain convinced that we shall have to make some constitutional improvements to local government as part of the financial reforms which are now urgently necessary.

Mr. John Barnes, Kent Education Committee chairman, is mistaken when he says (March 23) that I have little knowledge of education administration. As a former Finance Chairman of the Inner London Education Authority I was all too well aware of the slender element of freedom in our relations with central government, and also the inherently costly nature of running a big public orgaisation in comparison with smaller units. Private sector education, after all, operates successfully through very small institutions indeed.

Roland Freeman.
Members' Lobby,
County Hall, S.E.1.

The Archway inquiry

From the Press Officer, Stop the Archway Motorway Plan.

Sir,—Your readers must be rubbing their eyes in disbelief when they read that William Rodgers, Transport Minister, has, for the second time, abandoned an Archway inquiry because he does not think that his Ministry should build such a road through London at all (March 22).

Archway inquiries have been going since September, 1976 (apart from the 1973-74 one) and have sat for about 35 days, with something like 50 officially paid staff there. The total cost even to the public purse for the inquiries alone cannot be less than a sum high up in six figures, as well as many more hundreds of thousands spent on buying property, etc. If Mr. Rodgers never believed in the scheme all along, he is guilty of wasting £1m. or more of public funds, and should be dismissed instantly.

The truth is very different. Mr. Rodgers abandoned the inquiry because his inspector ordered the Ministry to disclose full information on the scheme, including detailed justification of the traffic and economic benefit forecasts. The Ministry is prepared to waste any sums rather than reveal the details of its curious calculations, and we should all be aware that £1m. or more has gone down the drain to satisfy Whithall's obsessive passion for secrecy.

G. J. A. Stern,
Stop the Archway Motorway Plan.
6, Eton Court, Shepherds Hill, N.6.

Index-linked pensions

From Mr. A. Platt

Sir,—The continuing correspondence on index linked pensions triggered off by the actuarial valuation of the Post Office pension fund reported in your issue of January 7 has not dispelled doubts as to methods of valuation or the inequity as between public service pensioners and the majority of those who receive pensions from private funds.

A very important assumption for a private fund is that the accumulated fund is sufficient to provide for all accrued benefits to that date, so that if the employer goes out of business, these benefits are preserved. This must be correct at the micro level of the individual employer, but what does it mean at the macro level when all employers are considered as a whole. Is it reasonable to assume that all employers will go out of business together?

The next important assumption is that of the real rate of return. The Post Office actuary used 4 per cent. but many funds use 2 per cent. What does this real rate of return mean? How is is reconciled with the rate of return used in investment appraisal on which it must ultimately depend? Merrett and Sykes have suggested that it is reasonable to assume a long term real rate of return at 7 per cent. This assumption has a multiplier effect on contributions required. In the Lowndes paper "Pension funds and the economy" contributions are shown as varying from 10 per cent. to 21 per cent. at the real rate of return falls from 3 per cent. to nil. Are we sure that present policies do not deduct too much from individual remuneration and company profits? This could direct too much money towards investments rather than wealth creating real assets. It can also be argued that this also leads towards a lowering of the yield on investments.

Present practice makes assumptions as to the future both for inflation and real rate of return which are probably incorrect. No one can possibly forecast ahead for 40/50 years. Might it not be better to devise a method which uses current price levels and adjusts only for relative changes, leaving any adjustment for inflation to be made annually when the actual rate is known.

It is time for the equivalent of the Meade Committee to be set up to consider provision for retirement from first principles and maintain equity between all pensioners whether in public or private employment.

A. J. Platt.
21, Lawton Road, Rainhill, Prescot, Merseyside.

Approval of price rises

From the Director-General, Institute of Purchasing and Supply.

Sir,—Many suppliers imply that Price Commission approval or endorsement has been given to price increases when in fact it has not. We were therefore pleased to note the recent statement by Mr. Charles Williams, the chairman, in which he clarified the working of the Commission's legal and procedural machinery.

Mr. Williams exposed the pretence by some suppliers that approval had been given to an increase simply because the Price Commission had not intervened when the intention to raise prices had been notified to it. As Mr. Williams explained, the Commission has the capacity to nndertake only about 40 investigations a year; but he receives about 140 suppliers' notifications a week. Of course, it may well be that in some—perhaps many—of these cases there will be justification for price increase; in others there may be none.

Thus, because the Commission can investigate only what appear to be the most serious or significant cases, it is quite misleading for suppliers, not subjected to an investigation, to pretend that price increases have been "approved" or "endorsed" by the Commission.

Buyers should make suppliers explain the true position in relation to claims of Price Commission "approval." Professional purchasing staffs will do this as a normal part of their commercial assessment of sources of supply but where buying organisations have no professionally qualified purchasing people they should train existing staff or appoint specialists. Professional purchasing staff provide real benefits to their organisations, whether they be in the public or private sector and whether the organisation is large or small.

Members of the Institute of Purchasing and Supply seek to fight inflation for the national good and thus support action to keep price increases within reasonable, justifiable limits. We also want to buy from British industry whenever possible, provided that quality, delivery and price are right. These two aims are entirely compatible if British companies are efficient and their prices competitive.

I. G. S. Groundwater.
York House,
Westminster Bridge Road, S.E.1

Race relations and Politics

From Mr. J. Guinness.

Sir,—It is rare to find you, in a leading article, striking a note of actual hysteria; but your leading article on immigration (March 22) did just this.

The fact is that for a generation the talking classes of this country have bamboozled the electorate into accepting among them a large population of different races, colours and cultures in the name of a multiracialism held by this articulate minority with the fervour of a religion, a fervour I detect in your article.

The technique of manipulation changed over the years. At first, the practice was straight deceit: to minimise the problem and characterise as reactionary or Fascist those few who drew attention to it — Sir Cyril Osborne being the first in respectable politics. Then, as the numbers grew, the emphasis switched from claiming there was no problem to claiming that it was too late to do anything about it, and the race relations industry was set up.

Of senior politicians, the first to "break ranks" on this issue and express what people were thinking was Enoch Powell: the recent hardening of the Conservative Party line, though welcome, has only been a move back approximately to the position in the 1970 election manifesto, and the emotional and personal attacks on Mrs. Thatcher have been ill-conceived.

Your attack, however, on the Select Committee for its unanimous report was even more inappropriate. It included Labour members, including Mr. Bidwell of the Tribune Group, whom nobody could accuse of being hardliners on the issue. What has happened, it seems to me, is that they, who are no whit less multiracialists than you, have, unlike you, Parliamentary seats to lose.

Jonathan Guinness.
31-45 Gresham Street, E.C.2.

A question of immigration

From the General Secretary, Joint Council for the Welfare of Immigrants

Sir,—Robin Day states (March 20) that some of the participants in his BBC 2 programme "A question of immigration," protested "for the very reason that the question was immigration, instead of what they would have preferred to discuss, namely race relations or racial discrimination."

As one of the protesters, I can confirm that our letter to the Director-General of the BBC complaining about the programme expresses the hope that a further programme will be devoted to race relations. But we understood that the programme we were invited to take part in on March 9 was to be about immigration.

Our major complaint was that a quite disproportionate amount of time was devoted not to immigration but to the subject of repatriation. Moreover, Mr. Day conducted the discussion of repatriation in terms of its practicality rather than its morality or desirability, the grounds on which the overwhelming majority of participants would have rejected it, had he given them the chance. We are still awaiting a reply from the Director-General to our request for a meeting to press our complaint.

Ian Martin.
44 Theobalds Road, W.C.1.

COMPANY NEWS

Laird climbs £1m. to £9.1m.

WITH A second half advance in taxable earnings from £4.69m. to £5.08m. Laird Group ended 1977 with profit ahead from £8.06m. to £9.09m. Sales by the group, which has interests in metal industries, engineering, motor components and shiprepairing, were marginally up at £119.24m. against £110.9m.

After tax of £2.32m. (£2.16m.) earnings per 25p share are shown at 15.79p (14.2p). The net total dividend is raised to a maximum permitted 2.937p (2.63p) with a final of 1.477p. A one-for-ten scrip issue is proposed.

Deferred tax of £7.54m. was released to reserves. This together with retained profit of £5.41m. (£4.46m.) increased net assets per share to 123.2p (109.5p).

Negotiations to determine compensation for the nationalisation of Scottish Aviation and Cammell Laird Shipbuilders have not yet started but a payment on account of £0.65m. was received in February 1978, the directors report.

Good start for Provident Financial

So far this year the Provident Financial Group is performing well and directors intend to continue developing the group in traditional and new activities, Lord Chelmer, chairman, says in his report with accounts.

Provident on Monday announced its offer for Halifax Insurance Company. and at the AGM shareholders will be asked to alter the Memorandum of Association of Provident to allow it to carry on insurance business.

On the year to December 31, 1977. when profit before tax climbed from £7.3m. to £9.54m., Lord Chelmer says the advance came in a year of great difficulty for the retailing industry, with which Provident is closely linked.

Lord Chelmer says that the application of the gearing adjustment included in the Hyde guidelines showed that £2.5m. was needed to be retained in the business to compensate for inflation, while £2.4m. was actually retained.

Meeting, Bradford, West Yorkshire, on April 12 at noon.

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available whether dividends concerned are interims or finals and the sub-divisions shown below are based mainly on last year's timetable.

TO-DAY

Interims—City and International Trust, Ricardo Engineers (1927), Southern Malayan Tin Dredging.

Finals—American Trust, H Brammer, Brent Chemicals, Dufay Bitumastic, Kode International, United Newspapers.

FUTURE DATES

Interims:	
Boulton (William)	Apr. 4
Bridport-Gundry	Mar. 31
Kalamazoo	Apr. 12
Maynards	Apr. 6
Mucklow (A. and J.)	Mar. 31
North Atlantic Securities	Apr. 5
Wombwell Foundry	Apr. 5
Yarrow	Apr. 3
Finals:	
Christies International	Apr. 12
Desoutter Bros.	Mar. 30
Empire Stores (Bradford)	Apr. 12
Equity and Law Life Assurance	Mar. 29
Gaskell (Bacup)	Mar. 31
Gill and Duffus	Apr. 26
Grattan Warehouses	Apr. 4
Harrison and Sons	Apr. 4
Lead Industries	Apr. 20
Legal and General Assurance	Mar. 29
London and Manchester Ass.	Mar. 29
Municipal Properties	Mar. 30
Ocean Transport	Apr. 3
Pye Holdings	Mar. 30
Thomson Organisation	Mar. 31
Upton (E.)	Apr. 6
Wilkinson Warburton	Mar. 30

Sales start well at Allied Insulators

Sales for the first two months of current year at Allied Insulators are in excess of same period last year. A record level of sales was achieved in February and present order books are equivalent to six months work at this level, Mr. A. Lloyd, the chairman, told the annual meeting.

On the offer for Blakey's he said that the foundry very much complements Allied's own foundries range of products and offers a considerable diverfication of markets.

YELVERTON

The listing of Yelverton Investments, the small investment company which produced a half-time deficit of £5,127 after provisions of £43,000, has been cancelled as from Thursday morning. Dealings may still take place under the Stock Exchange Rule 163 (2).

Bernard Wardle prospects

FIRST-HALF profit of Bernard Wardle and Company will be affected by difficult market conditions and severe pressure on margins, Mr. D. A. Boothman, chairman, says in his annual statement.

However, he adds that the Cheshire-based plastics group is well placed to take advantage of even a minor upturn in direct consumer demand. Relatively small improvements in volume and product mix should quickly be reflected in higher profits, he says.

The start to the current year has been disappointing, and market conditions both at home and internationally continue to be difficult. While raw material prices have recently stabilised, there are some indications that they may be moving upwards once again, and coupled with this the company is experiencing "severe" pressure on margins. The generally anticipated upturn in home market demand is slow to come forward and this is particularly important to the company because it is geared to high production levels, explains the chairman.

As announced on February 14, pre-tax profit increased by 36 per cent. from £770,000 to £1,056,000 in the year to November 27, 1977 on turnover up from £15,892,000 to £18,635,000.

Mr. Boothman says that following the "substantial changes" of 1977, when two commercially orientated divisions were formed and key personnel recruited, a year of consolidation was needed.

The main contributor to profits among subsidiary companies was again Duraplex. VPT and Hispeed improved over the previous year, but Hardura was less profitable.

At February 28, 1978, the company and its subsidiaries had loans outstanding equivalent to £1,275,813 and bank overdrafts equivalent to £912,807.

Carliol looks to U.S. for improvement

It seems unlikely that in the short term U.K. share prices will return to their peak levels of 1972 and 1977, but America, in spite of its balance of payments deficit, and other problems, offers attractive investment opportunities at present, Mr. D. A. Pease, the chairman of Carliol Investment Trust, says in his annual statement.

In the last analysis, however, the company does not hold markets but investments in a series of companies and well chosen equities which sell at historically low price/earnings multiples and should consistently increase their earnings and dividends in the years ahead provide the best investment medium available, he comments.

In 1977/78 the directors policy of holding a substantial proportion of assets in overseas securities adversely affected capital growth. Net asset value over the year was up 4½ per cent. and the portfolio at year-end was divided 58 per cent. (48 per cent.) U.K. securities and 42 per cent. (52 per cent.) overseas.

As known, the proposed merger of the company with Tyneside was abandoned because of the risk of a £5m. tax assessment. Carliol's share of the professional and printing costs related to the merger negotiations was some £33,000, equivalent to 0.32p per share, which has been debited to capital reserve.

For the year to January 31, 1978, gross revenue was up from £899,237 to £994,507 and taxable revenue improved to £738,885 (£636,622)—as reported on March 2. The net total dividend is raised to 3.85p (3.3p) per 25p share.

Liquidity at year end showed a decline of £6,842 (up £213,790).

London and Manchester Assurance Co. holds 1.86m. Ordinary shares.

Meeting, Newcastle, on April 21, at 12.15 p.m.

Aquis Secs. confident

Mr. H. C. Quitman, the chairman of Aquis Securities is confident that 1978 should prove a profitable year for the group.

As reported on February 22 pre-tax profit for 1977 rose from £334,920 to £418,719 and the dividend is lifted to 0.670149p (0.6p) net, with a final of 0.445149p. A supplementary payment of 0.005767p will also be paid following the change in ACT.

The chairman says that the value of the property investment portfolio and other assets had increased by the year end by some £3m., and that the portfolio is situated in areas where continued growth in rental income seems inevitable.

Mr. Quitman says that although bank borrowings during the year were high, interest rates fell to a much more acceptable level, with the charge at £716,101, against £394,101, being increased by a £138,391 (£26,406) transfer of interest charges from work in progress relating to properties sold.

The sale of the Walton development reduced the company's overdraft and since the end of the year the investment property at 7, Cork Street, London, has been sold, the proceeds of which, the chairman says, will further reduce bank borrowings.

Auditors, Arthur Young McClelland Moores and Co. say that no amortisation has been provided for the year, in respect of short leasehold properties valued during the year. Had such amortisation been provided pre-tax profit would have been reduced by £14,823 (£18,731) and the basic and fully diluted earnings per share by 0.06p (0.07p) and 0.04p (0.05p) respectively. There was a decrease in working capital at year end of £426,000 (£205,000).

Meeting, Clarendon Court Hotel, W., on April 14 at noon.

Freddie Mansfield

Sir Ronald Fairfield, chairman of Royal Worcester, who is due to announce the company's results to-morrow.

British Aluminium soars to £24m.

A jump in taxable earnings from £13.1m. to £24.08m. was achieved by British Aluminium, a subsidiary of Tube Investments, for 1977. Sales were up 20 per cent. at £208m.

At midway, when profit was more than doubled to £13.91m., against £6.12m., the directors said that world demand for aluminium ingot has remained steady in the first six months.

Profit was struck after loan interest reduced to £4.65m. (£5.5m.), but included £0.66m. (£0.59m.) share from associates. Tax took £2.33m. (£1.33m.) and earnings are shown ahead from 106p to 197p per £1 share. A final dividend of 20p makes a total of 35p (20p) net. Retained profit emerged as £17.64m. (£9.31m.).

The directors report that world consumption of primary aluminium was only 2 per cent. higher than in 1976. Differing levels of economic activity in the Western world were reflected in higher consumption in the U.S. and lower consumption in Japan, while European demand was very close to the level of the previous year. In the U.K., total consumption was fractionally up on 1976 but importers were more active.

There was no growth in total volume and in some sectors there was a reduction, but the overall product mix improved. Export markets became increasingly competitive over the year with the result that volume was down although revenue increased slightly.

Average prices received during the year were substantially higher than in 1976 following cost increases which had taken place in the second half of 1976 and the first half of 1977.

The directors add that there is a reasonable probability that deferred tax will not become payable and a provision of £14,872,000 has been transferred to reserve. No tax provision has been made against 1977 profits except for tax arising from dividend payments and comparisons are restated accordingly.

There was a net positive cash flow of £12.92m. for the year, and at year end, net borrowings amounted to 26 per cent. of shareholders funds, including the transfer of the deferred tax provision to reserve.

Sales for 1977 of Raleigh Industries, another subsidiary of Tube Investments, amounted to £107.06m. (£100.17m.), with pre-tax profit lower at £5,346,000 (£7,737,000), (£947,000).

There was a U.K. tax credit of £1,200,000 (debit £2,696,000) and overseas tax amounted to £834,000 (£189,000). Comparisons are restated in accordance with ED 19.

After an extraordinary debit of £438,000 (£894,000 credit) and minorities, attributable profit advanced from £5,723,000 to £7,265,000, giving stated earnings of 134.6p (84.4p) per share.

Ingall ahead so far

For the six months to December 31, 1977, Ingall Industries reports pretax profits £21,000 ahead at £102,000. The net interim dividend is stepped up from 0.56p to 0.61p and the directors anticipate a 10 per cent. increase in the total payment, although they say the percentage improvement in profits may not be maintained in the second half. Profit for the last full year amounted to £254,000, and the total dividend was 1.7p.

Sales for the first half rose from £1.67m. to £1.78m. and profit was struck after interest of £16,000 (£17,000). Tax took £33,000 (£42,000) and stated earnings are 0.96p (0.76p) per 10p share.

The company's activities include light engineering and the manufacture of funeral furnishings. reported, the directors said they looked forward to a marked improvement in the second half of the year.

Turnover showed little change at around £10m.

The net single dividend is 1p, which compares with last year's total of 2.2p. Earnings per 20p share are shown to be up from 15.65p to 23.47p.

The directors state that they anticipate a further improvement in the net profits in the current year.

Co-operative Insurance bonuses

The Co-operative Insurance Society is keeping its reversionary bonus rates in respect of 1977 unchanged from the 1976 rates in both the ordinary branch and the industrial branch. Thus they stay at £4 per cent. of the sum assured for assurances and £7 per cent. of the basic benefits for annuities in the ordinary branch and as £2.50 per cent. of the sum assured. However, the company is lifting its terminal bonus rates paid on death or maturity claims on or after April 1, 1978.

On ordinary branch contracts, the rate increases with the length of time the policy has been in force varying from 13 per cent. of the sum assured after 10 years (12.3 per cent.), 44.9 per cent. after 20 years (40.2) to 91.5 per cent. for 48 years or more (79). In the industrial branch the maximum rate is lifted to 69.5 per cent. from 62 per cent.

Some other industrial life companies have increased their rates of terminal bonus for 1977 and the results from the Prudential and the Pearl are still awaited. But the CIS have adopted the philosophy that terminal bonuses are meant to reflect retrospective additions to reversionary bonus rates due to previous cautious valuations. The objective is to give as fair a deal as possible and it is considered that this time the best way to do this is by increasing bonuses to policies about to mature rather than small additions to every policy. The rise in the industrial branch is lower this year than in the ordinary branch, so that the balance between the two rates can be adjusted.

Brown & Jackson

AFTER A £230,000 transfer from deferred tax reserves, a loss of £95,000 arising from the cessation of business at Brown and Jackson (Southern), net profit of Brown and Jackson, builder and civil engineering contractor, for 1977 rose from £312,976 to £512,104.

At the interim stage when a fall from £105,000 to £51,000 was

Tyneside plans to invest more in U.S. market

AN INCREASE in the proportion of its investments held in the U.S. is planned by Tyneside Investment Trust for the coming year, Mr. R. H. Dickinson, the chairman, tells members.

The directors believe that the U.S. Government will take steps to correct the balance of payments deficit by reducing oil imports and that this will be reflected later in the year in an improvement in both the dollar and stock markets, he says.

The 4 per cent. increase in the company's net asset value, from 131p to 137p per 25p share, when taking prior charges at par, in 1977-78 was disappointing in relation to the rise in the U.K. market. It resulted from three factors, namely the high proportion of assets invested overseas, where performance was poor in comparison; the rise in the sterling exchange rate; and the decline in the dollar premium, he explains.

An analysis of the distribution of the company's investments which totalled £9.93m. (£9.74m.) shows, in percentages: U.K. 57.3 (48.8); U.S. 18.6 (22.8); Canada 4 (6.4); Australia 5 (7.3); South Africa 3.7 (3); Europe 1.8 (2); Japan 3.8 (4.3); and Asia 5.8 (5.4).

As to the outlook for the current year in the U.K., aside from the better economic position, he points out that industrial production remains at a low level and unemployment is high.

The proposed merger between Tyneside and Carliol Investment Trust has, as known, been abandoned.

For the year to January 31, 1978, gross revenue of Tyneside advanced to £536,052 (£471,653) and pre-tax revenue was higher at £439,277 (£372,159). The net total dividend was raised to 3.85p (3.3p).

Liquidity at year end was up £228,610 (down £54,370).

London and Manchester Assurance Company holds 1.43m. Ordinary shares, Mrs. V. J. Newall 0.49m. and Bank of Scotland Nominees (Save and Prosper) 0.47m.

ROTHSCHILD INV.

Rothschild Investment Trust announces that £6.1m. of 6¼ convertible unsecured loan stock 1985/90 nominal has recently been purchased for cancellation. The nominal amount of stock outstanding is now £8.92m.

Outlook for Steetley

ON CURRENT evidence it seems unlikely that Steetley Company will achieve any significant increase in profitability until 1979, Mr. Harry Smith, chairman, says in his report with accounts.

He says the many political and economic uncertainties affecting the areas in which the company operates make it difficult to forecast results for 1978 with any accuracy.

But the directors see signs of an improving trend in trading conditions from the rather depressed levels of the final six months of 1977. However, this improvement is by no means uniform.

In 1977 taxable profit climbed from £19.95m. to £23.3m. and Mr. Smith says the increase was due to the policy of increasing activities in industrial sectors other than steel, both at home and overseas.

The company will continue to seek suitable opportunities for further expansion. "This policy will, I believe, enable us to maintain a rising trend of profitability which will, in due course, be further strengthened as steel demand picks up and we are able to achieve the full benefits of our expertise and investment," he says.

Last year £18.3m. was invested in the business and forward commitments for 1978 total £18.2m.

An analysis of turnover and profitability (in £m.) shows minerals extraction and processing contributed £96.25 (£79.03) and £13.63 (£12.27); chemicals £76.71 (£63.78) and £4.73 (£3.47); refractories £40.67 (£33.95) and £6.9 (£5.03) and industrial and electrical distribution £43.38 (£47.9) and £1.4 (£1.69).

A current cost statement with accounts shows pre-tax profit reduced to £16.3m. (£14.3m.) after additional depreciation of £4.7m. (£3.7m.), a £4.3m. (£3.3m.) cost of sales adjustment and a £1.8m. (£1.3m.) gearing adjustment.

On a divisional outlook for 1978, the minerals division expects difficult trading conditions, as does the construction materials division.

The ceramics division sees demand for 1978 being similar to the last half of 1977, while with the continuing steel depression and increasing world competition the magnesia division expects an extremely difficult year.

The chemicals trading division however expects to achieve further growth in 1978, while the chemical manufacturing division believes growth will not be easy.

Steetley is more optimistic about its Canadian operations, where improved earnings are budgeted, and in Australia further progress is anticipated.

Sun Alliance executive pensions

Sun Alliance Insurance Group has recently launched its Executive Benefit Plan designed to enable company directors and executives to receive substantial tax-free cash sums on death or retirement, together with a wide range of retirement benefits, plus immediate protection for dependants.

The basic contract is a pure endowment policy providing a guaranteed sum payable at the date of retirement. This will be increased each year by bonus additions. At retirement there is a whole range of benefits from which the executive can choose to use the accumulated cash sum. He can for instance take part cash—up to revenue limits and the rest can be used to secure a pension. There is a guaranteed annuity option at normal retirement.

Bonus rates will be declared each December 31, and the bonuses added at the following scheme anniversary. The final bonus addition will be made at normal retirement date. Initially, there will not be a terminal bonus, but one may be introduced in the future if suitable investment profits are made, but no estimate can be made in advance.

Premiums may be paid entirely by the employer, or the member may contribute up to 15 per cent. of salary towards the cost, get full tax relief at top rate. Premiums may be paid yearly or monthly by bankers' order.

There is a growing demand by executives for these types of schemes, not only because they provide high level pensions, but because they are a tax-efficient means of passing assets from the company to executives. Sun Alliance is the latest life company to launch an executive pension scheme. But as the company points out, it is not suitable for contracting-out.

Orion Bank tops £10m.

Taxable profit of Orion Bank rose from £9.71m. to £10.18m. in 1977. After tax, profit comes out at £5.4m. against £5.13m.

Mr. D. Montagu, chairman, says that in the year, Orion managed or co-managed bond issues and syndicated bank credits in excess of U.S.$4bn., and was lead manager for 13 Eurobond issues totalling $520m.

"We are confident that we shall continue to play an important role in Euromarkets during the coming year. Our aim is to continue to develop our position within these highly competitive market," he says in his statement with accounts.

Orion is owned by Chase Manhattan Corporation, Credito Italiano Holdings, Mitsubishi Bank, National Westminster, Royal Bank of Canada and Westdeutsche Landesbank Girozentrale.

Orion is paying an unchanged £750,000 dividend, worth 3p per £1 share, to the six shareholders. Total assets at balance-date were £1.03bn. (£998.9m.).

Pending dividends timetable

The dates when some of the more important company dividend statements may be expected in the next few weeks are given in the following table. Dates shown are those of last year's announcements, except where the forthcoming Board meetings (indicated thus*) have been officially published. It should be emphasised that the dividends to be declared will not necessarily be at the amounts or rates per cent. shown in the column headed "Announcement last year." Preliminary profit figures usually accompany final dividend announcements.

	Date	Announcement last year
Akroyd Smithers	May 12	Int 5
Amal. Metal	Mar. 30	Final 9.157
APV	Mar. 30	Final 6.6361
AP Cement	Mar. 22	Final 3.7744
Averys	May 10	Final 3.47353
Babcock and Wilcox	Apr. 13	Final 1.6556
Bank of Ireland	May 9	Final 11p
[illegible]	Apr. 28	Final 3.21942
[illegible]	[illegible]	[illegible]
Grattan Warehouses	Apr. 4	Final 3.367
Guardian Royal Exchange	Apr. 12	Final 5.2513
Hawker Siddeley	Apr. 19	Final 7.8825
Highland Dist.	Apr. 3	Int. 0.9
House of Fraser	Mar. 30	Final 2.75543
Ladbroke	Mar. 29	Final 4 forecast
Laing (J.)	Apr. 25	Final 2.07375
Laporte	May 3	Final 3.23031
Law Land	Mar. 29	Final 1.317
Lead Inds.	Apr. 20	Final 5.28
*Legal and Genl. Assce.	Mar. 29	Final 3.248
Lloyds and Scottish	May 12	Int. 1.34
*London Brick	Apr. 6	Final 1.7576
*Lucas Inds.	Mar. 30	Int. 2.125
Mallinson Denny	May 10	Final 1.5
Marks and Spencer	Apr. 28	Final 2.48
Mettoy	Apr. 28	Final 0.95
[illegible]	[illegible]	[illegible]
Tozer Kemsley	Apr. 26	Final 1.7886
Tricentrol	Apr. 19	Final 0.4875
Triplevest	Mar. 31	Final 1.901
Vickers	Apr. 28	Final 3.2958
Whitbread Inv.	May 12	Final 2.2636
*Wilmot-Breeden	Apr. 12	Final 1.75893
*Wimpey (G.)	Apr. 27	Final 0.89058
Youghal Carpet	Mar. 23	Final 4.89

* Board meetings intimated. † Rights issue since made. ‡ Tax free. § Scrip issue since made from reserves.

ICI India equity sale

BY P. C. MAHANTI

ICI (INDIA), a wholly-owned subsidiary of ICI of the U.K., is preparing to sell 60 per cent. of the equity to Indian nationals by about November. This is being done in compliance with India's Foreign Exchange Regulation Act. When the share capital is restructured with ICI U.K. shedding the 60 per cent., ICI India will change its name to Crescent Dyes and Chemicals. The face value of the 60 per cent. of the equity is Rs.14.4m.

After the change of name the restructured company will submit proposals for new projects in the country. The ICI group in India already includes companies making plastics and chemicals, synthetic fabrics, mining explosives and fertilisers, but the latter are in the nature of associate concerns in which ICI India holds the controlling interest.

RECENT ISSUES

EQUITIES

[illegible]

FIXED INTEREST STOCKS

[illegible]

"RIGHTS" OFFERS

[illegible]

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimate. g Assumed dividend and yield. u Forecast dividend; cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimates for 1978. Q Gross. T Figures assumed. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. § Placing price to public. pt Pence unless otherwise indicated. ¶ Issued by tender. || Offered to holders of Ordinary shares as a "rights." ** Rights by way of capitalisation. †† Minimum tender price. §§ Reintroduced. ¶¶ Issued in connection with reorganisation merger or take-over. || Introduction. □ Issued to former Preference holders. ■ Allotment letters (or fully-paid). ● Provisional or partly paid allotment letters. ★ With warrants.

BASE LENDING RATES

A.B.N. Bank	6½%
Allied Irish Banks Ltd.	6½%
American Express Bk.	6½%
Amro Bank	6½%
A P Bank Ltd.	6½%
Henry Ansbacher	6½%
Banco de Bilbao	6½%
Bank of Credit & Cmce.	6½%
Bank of Cyprus	6½%
Bank of N.S.W.	6½%
Banque Belge Ltd.	6½%
Banque du Rhone	7%
Barclays Bank	6½%
Barnett Christie Ltd.	8½%
Bremar Holdings Ltd.	7½%
Brit. Bank of Mid. East	6½%
■ Brown Shipley	6½%
Canada Permanent AFI	6½%
Capitol C & C Fin. Ltd.	8½%
Cayzer Ltd.	7%
Cedar Holdings	8%
■ Charterhouse Japhet	6½%
Choulartons	6½%
C. E. Coates	7½%
Consolidated Credits	6½%
Co-operative Bank *	6½%
Corinthian Securities	6½%
Credit Lyonnais	6½%
The Cyprus Popular Bk.	6½%
Duncan Lawrie ¶	6½%
Eagil Trust	6½%
English Transcont.	8%
First London Secs.	6½%
First Nat. Fin. Corpn.	8½%
First Nat. Secs. Ltd.	8%
■ Antony Gibbs	6½%
Greyhound Guaranty	6½%
Grindlays Bank ‡	6½%
■ Guinness Mahon	6½%
■ Hambros Bank	6½%
■ Hill Samuel §	6½%
C. Hoare & Co. †	6½%
Julian S. Hodge	7½%
Hongkong & Shanghai	6½%
Industrial Bk. of Scot.	6½%
Keyser Ullmann	6½%
Knowsley & Co. Ltd.	9%
Lloyds Bank	6½%
London & European	8%
London Mercantile	6½%
Midland Bank	6½%
■ Samuel Montagu	6½%
■ Morgan Grenfell	6½%
National Westminster	6½%
Norwich General Trust	6½%
P. S. Refson & Co.	6½%
Rossminster Accept'cs	6½%
Royal Bk. Canada Trust	6½%
Schlesinger Limited	6½%
E. S. Schwab	8½%
Security Trust Co. Ltd.	7½%
Shenley Trust	9½%
Standard Chartered	6½%
Trade Dev. Bank	6½%
Trustee Savings Bank	6½%
Twentieth Century Bk.	7½%
United Bank of Kuwait	6½%
Whiteaway Laidlaw	7%
Williams & Glyn's	6½%
Yorkshire Bank	6½%

■ Members of the Accepting Houses Committee.
* 7-day deposits 3%, 1-month deposits 3½%.
† 7-day deposits on sums of £10,000 and under 3%, up to £25,000 3½% and over £25,000 4¼%.
‡ Call deposits over £1,000 3%.
§ Demand deposits 4%.
¶ Rate also applies to Sterling Ind. Secs.

INTERNATIONAL COMPANY NEWS

SEC suit threatens 'Nationalisation' of three ITT units

BY STEWART FLEMING

NEW YORK, March 27.

MR. LYMAN HAMILTON, president of the U.S. conglomerate, International Telephone and Telegraph, has raised the issue of possible nationalisation of three of the company's European manufacturing subsidiaries if the Securities and Exchange Commission publishes details of some $9m. in questionable payments made by ITT.

ITT says that a suit threatened by the SEC might prompt foreign Governments to order the take-over of certain assets if the SEC identifies a number of foreign countries where it made foreign payoffs in alleged violation of U.S. securities laws.

In an affidavit filed in Federal Court in Washington, Mr. Hamilton says that publication by the Commission "of those confidential details of contributions and payments made by the ITT system in previous years would have a severe adverse impact upon the corporation and its subsidiaries, its present stockholders and those with whom it does business."

Mr. Hamilton says that publication would threaten "business relationships in foreign countries," and in addition "the positions of those with whom ITT has dealt in foreign governments may be prejudiced."

ITT did not identify the subsidiaries to which Mr. Hamilton referred, but the company has major manufacturing units in West Germany, the U.K., France, Belgium and Spain.

The ITT submissions are part of an attempt by the company to obtain a temporary restraining order that would bar the SEC from publishing the material. In a court hearing on Friday, Judge George Hart concluded that he lacked the power to enjoin the Government from filing a complaint containing the allegations. ITT is appealing the ruling.

AMC seeks federal loan guarantees

By John Wyles

NEW YORK March 27.

AMERICAN MOTORS is seeking Federal guarantees for $100m. of loans in a move which underlines the company's shortage of capital for developing new models.

Negotiations have been under way with the commerce department and other federal agencies since last autumn. AMC wants to raise the money in the private sector, with the help of Government guarantees, so as to finance the planning and construction of its passenger cars for the next ten years.

Although the Government has recently adopted a loan guarantee scheme to help the steel industry modernise itself, such aid to a single company is highly unusual. AMC's request indicates the weakness of its credit rating with traditonal lenders and the difficulties it is facing as a passenger car producer.

The company has a less than 2 per cent. share of the American market and is seeking some kind of link with a foreign manufacturer

Submarine deadline put back by Gen. Dynamics

BY OUR OWN CORRESPONDENT

NEW YORK, March 27.

GENERAL DYNAMICS has extended by two months its deadline for stopping work on 16 nuclear powered submarines for the U.S. Navy.

This is to allow time for further negotiations on the company's claim for an additional $544m. to cover alleged cost increases caused by design changes ordered by the Navy. General Dynamics' original deadline was April 12.

The company's recently published results revealed that fourth quarter net income had increased 18 per cent. to $29.2m. or $2.73 per share. Sales rose 3 per cent. to $750.6m.

For 1977, profit was up 3.8 per cent. to a record $103.4m., or $9.51 a share, compared with $99.6m. or $9.11 a share. Sales rose from $2.55bn. to $2.9bn.

Japanese textile cartel

THE JAPANESE Fair Trade Commission has announced that 15 Japanese synthetic textile manufacturers applied for its approval of a plan to form an anti-recession cartel, to curb production of polyester, nylon and acrylic fibres to 20 to 30 per cent. below capacity for three months from April, Reuter reports from Tokyo.

Option trading in Frankfurt

FRANKFURT, March 27.

THE FRANKFURT Bourse is to admit 10 further shares to options trading from April 3, bringing the total to 51.

The latest shares raise the number of foreign names from 3 to 11.

The new foreign shares are Alcan Aluminium, Chrysler Corporation, General Motors Corporation, IBM Corporation, Litton Industries, Sony Corporation, Sperry Rand Corporation and Xerox Corporation. New German shares are Deutsche Babcock and Mercedes-Automobil-Holding.

Reuter

More International Company News, Pages 19 and 20

MONEY MARKET

GOLD

Market plagued by rumours

BY COLIN MILLHAM

THE THREAT of war, civil unrest, or any other disturbance of the peace usually stimulates the demand for gold, but the outbreak of hostilities in southern Lebanon appeared to have little effect on the bullion market.

If anything, the price of gold increased last week as the threat of an escalation in the fighting diminished.

Perhaps the market has become too familiar with the problems of the Middle East to show any significant reaction, or, as seems more likely, there were too many other factors influencing the metal for the Israeli invasion to have much effect.

Gold fell $4 an ounce on Monday to $179¾-180, lost another $2¼ on Tuesday, then started to pick up, rising back above the $180 level on Wednesday.

At the close on Tuesday, it was $12¼ lower than the highest point touched earlier this month, a fall of about 6¼ per cent.

The general improvement by the dollar must account for part of the decline and most currencies were much steadier in quiet pre-Easter trading last week.

Victory by the Government coalition in the French general election had a noticeable influence on the foreign exchange market. The French franc was by far the most volatile currency early in the week but the gold market was probably also affected.

As fears of a Left-wing French Government disappeared, the appeal of gold as a refuge for funds diminished and shares on the Paris bourse became an attractive proposition once again.

All these factors probably entered into calculations on the value of gold but the dominant element has been fears about possible gold sales by the U.S. Treasury. This would push more gold on to the market on top of the International Monetary Fund's monthly auction.

At the morning fixing on Friday, gold had recovered to $182.10 but trading was very thin and when a new rumour hit the market the metal retreated once more.

Indications that the Bank of Japan also plans to sell gold pushed it down to $179-179¾, a fall of $4¼ from the previous Friday, after a very nervous and volatile week.

Mar. 23 1978	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount market deposit	Treasury Bills ●	Eligible Bank Bills ●	Fine Trade Bills ●
Overnight	—	2-6¼	—	—	—	6⅝	5-6¼	—	—	—
2 days notice	—	—	6⅛-6¼	—	—	—	—	—	—	—
7 days or 7 days notice	—	6-6⅛	6⅛-6¼	—	6¾	6½	6-6¼	—	—	—
One month	6½-6⅜	6⅜-6⅞	6¼-6⅜	6⅝-6¼	6¾	6¾	6	5⅞-5⅞	6¼	6⅞
Two months	6⅜-6⅞	[illegible]	—	6⅝-6¾	7	—	6	5⅞-5⅞	6⅜	6¾
Three months	6⅝-6¾	6⅞-6⅞	6½-6⅝	6¾-6¼	7⅛	—	6	5⅞-5⅞	6⅞	6⅝
Six months	6⅞-6¾	6⅞-7⅛	7	6¾-7¼	7⅜	—	—	—	6⅞	7⅜
Nine months	7⅛-7⅛	7⅜-7⅛	—	7¼-6⅝	7⅝	—	—	—	—	—
One year	7⅝-7⅞	7⅞-7⅞	7⅞-8	7⅜-7¼	8¼	—	—	—	—	—
Two years	—	—	8⅞-9⅛	—	—	—	—	—	—	—

Local authorities and finance houses seven days' notice others seven days fixed. Long-term local authority mortgage rate nominally three years [illegible] per cent.; four years [illegible] per cent.; five years [illegible] per cent. ● Bank bill rates in table are buying rates for prime paper. Buying rates for four-month bank bills [illegible] per cent.; four-month trade bills [illegible] per cent.

Approximate selling rates for one-month Treasury bills [illegible] per cent.; two-month [illegible] per cent.; and three-month [illegible] per cent. Approximate selling rate for one-month bank bills [illegible] per cent.; two-month [illegible] per cent.; and three-month [illegible] per cent.; one-month trade bills [illegible] per cent.; two-month [illegible] per cent.; and also three-month [illegible] per cent.

Finance House Base Rates (published by the Finance Houses Association) 7 per cent. from March 1, 1978. Clearing Bank Deposit Rates for small sums at seven days' notice 3 per cent. Clearing Bank Base Rates for lending 6½ per cent. Treasury Bills: Average tender rates of discount [illegible] per cent.

FOREIGN EXCHANGES

[illegible]

†Rates given are for convertible francs. Financial franc [illegible]

OTHER MARKETS

[illegible]

Rate given for Argentina is a free rate.

GOLD MARKET

[illegible]

EXCHANGE CROSS-RATES

[illegible]

FORWARD RATES

[illegible]

Six-month forward dollar [illegible] c pm; 12-month [illegible] c pm

EURO-CURRENCY INTEREST RATES*

[illegible]

Euro-French deposit rates: [illegible]

Long-term Eurodollar deposits: [illegible]

The following nominal rates were quoted for London dollar certificates of deposit: [illegible]

* Rates are nominal calling rates.

Short-term rates are call for sterling, U.S. dollars and Canadian dollars, two days' notice for guilders and Swiss francs.

CURRENCY RATES

[illegible]

MINING NOTEBOOK

RTZ group hot on the diamond trail

BY LODESTAR

THREE WEEKS AGO it was revealed here that the Rio Tinto-Zinc group's 72.6 per cent.-owned offshoot Conzinc Riotinto of Australia had progressed far enough in its search for diamonds in the Kimberley region of Western Australia to be erecting a pilot processing plant. This is now officially confirmed. It is expected to be established about mid-year to "treat large samples of material taken from each prospect."

These prospects are stated to be "many." Preliminary tests indicate some to be diamond-bearing. But CRA is still being cagey in saying that it is not possible to judge from the results to date whether diamonds will be found in commercial quantities. The venture is, however, considered to be promising enough for another $A6m. (£3.6m.) to be spent on it in 1978 when additional prospects will be sought.

Moreover, shareholders are not to be kept so much in the dark in future. Quarterly progress reports are to be issued. It is notable that no mention is made in the first of these of the Oombulgurri, the aboriginal tribe which has caused so much embarrassment to De Beers in its parallel search for diamonds in this remote region. So, as indicated here last week, CRA is presumably not encountering any similar problem.

The consortium which CRA heads with 52.6 per cent., includes AO (Australia) with 27 per cent., Tanganyika Concessions 8.4 per cent., Northern Mining 5 per cent. and Belgium's Sibeka 7 per cent. There is obviously a long way to go before RTZ can add diamonds to its broad mining spectrum. But how high speculative hopes were running in Australia last week was vividly illustrated by the shares of Northern Mining, which trebled in price to 30p.

No Murchison joy

This small exploration concern has hitherto been mostly known for its Weld Range iron ore prospect in Western Australia. But in February of last year it was rapped over the knuckles by CRA for being more optimistic about the Kimberley diamond discoveries than the senior concern was then prepared to be. It is probably partly to prevent a recurrence of this sort of "leak" that has prompted CRA to issue its own quarterly information.

The last verdict here on the shares of South African antimony producer Consolidated Murchison was in January. It was that the quarterly should be awaited before buying. The price was then 250p. On Thursday it was 235p. There have been some small signs of a picking up in the market for antimony just recently.

The week-end statement by Murchison's chairman Mr. H. Dalton-Brown is hardly likely to bring a rush of buying to the share market this morning. He said that the international economic climate remained unsettled, and that sales tonnages and prices were unlikely to improve in 1978. In view of this and the necessity to conserve the company's financial resources (1978 capital expenditure is put at R1m.) he deemed it impossible to make any dividend forecast.

What intrigues the bulls of this historically volatile share is Murchison's stockpile of already paid-for antimony concentrates and cobbed ore, which built up in last year's poor market conditions from 1,171 tons to 4,653 tons. So, they argue, the company is nicely placed to boost profits sharply as soon as demand for antimony really revives.

Even so, that day has still to come. And the March quarter, due to be reported next month, is likely to have been another lean one. Buyers thus look to have little to lose by waiting for it. Unless, that is, the bottom really drops out of the shares this morning.

Poseidon poser

It seems incredible that my "whatever happened to" series should come round to that one-time world-famous company Poseidon. But my mention of Government Areas and its long period of share suspension reminded a number of people of that other market non-runner dealings in which ceased as long ago as October, 1976. "Is it time to paper the parlour with them?" was one cry from the heart.

The answer is in the negative, though this should not be taken as any indication that Poseidon shares (once £124 apiece) will ever be worth anything. But until the official receiver has disposed of all the assets it would be best to hang on to the relevant bits of paper. The half-share in the Windarra nickel mine went to Shell. This still leaves the Burra copper mine and the stake in the Kalgoorlie Lake View gold operation to be realised.

There is even a suggestion in Australia that Poseidon might have some ultimate attractions as a "shell" company for tax-loss purposes, although I would not put too much faith in this possibility. But while Poseidon is still in existence (its annual report was issued recently) there must be at least a flicker of hope.

* * *

Curiouser and curiouser, a remark that is prompted now that the circular to Vultan Minerals shareholders is available over here. It details the proposed offer for the company's Western Australian tin-tantalite leases by Greenbushes Tin first outlined here a fortnight ago. The meeting date in Perth is April 7. So there is little time to lodge proxies.

At least one criticism is answered. Greenbushes is not to vote its own "substantial" shareholding in Vultan, believed to amount to some 45 per cent. But it is still impossible to judge whether the purchase price of $A280,000 (£169,000) is adequate. A geologist's report by Mr. R. M. Thomson, a director of Vultan, is much too vague.

There is also the vital question of where Vultan's future lies if the deal goes through. There is seemingly no question of the money and the Greenbushes share option being passed on to outside shareholders. Instead the cash is to be used "in areas of active mineral exploration and investment." U.K. shareholders fear in fact that Greenbushes will not bother too much about Vultan once it has acquired the leases.

A fear that has been heightened by the lack of any reference in the circular to Vultan's 25 per cent. stake in U.S. oil and gas seeker Reynolds Diversified Corporation about which the directors profess to have "little knowledge," a statement hardly likely to foster faith in them by shareholders in the U.K. where the bulk of the rest of Vultan's capital is still held. It looks as though the main hope now is that representatives of this majority should themselves endeavour to come up with a scheme to revitalise Vultan's future. Thursday's share price was 10p to 11½p.

INSURANCE

Firemen's strike aftermath

BY OUR INSURANCE CORRESPONDENT

WE ARE now coming to the time of year when major insurance companies publish their accounts and reports by their chairmen. It will be interesting to see if any chairman makes detailed comment on the estimated cost to his company of the firemen's strike which lasted from November 13 last year until January 16.

The British Insurance Association's monthly estimates of fire damage in Britain provides a basis on which we can speculate the extra cost to the country, and therefore to insurers.

In the first ten months of last year, the association puts total direct fire damage, both insured and uninsured, at £182.2m., at the rate of £18.22m. a month—something over £4m. a week.

But in the last two months of last year and during January this year, direct fire damage is estimated at £117.5m. For nine out of the 13 weeks, the firemen were on strike. If the other four weeks mirrored last year's pattern, it seems probable that those nine weeks of the strike cost around £100m. in fire damage, instead of something less than the £40m. they otherwise might have done.

These calculations based on estimates are not accurate figures but they show that the strike may have cost around £60m extra of direct fire damage, of which around £37m. is attributable to the closing weeks of last year.

As the total cost for Britain, whether insured or not, for last year is put at £261.7m., the firemen's strike might have added around 12 per cent. to insurers' payout last year—less than feared likely when the strike began.

Moreover, the rating of even annually renewable fire insurance is subject to long-term considerations and fire insurers are reluctant to act rapidly to temporary changes in incidence and cost of claims (the large upsurge was clearly only temporary). More likely to influence the thinking of fire underwriters during the summer and their calculations is the trend of the presently emerging pattern of losses. Arguably, if these in real terms fall back to the pattern evinced in the earlier months of last year, the market may just find it possible to effect the reduction in some rates that was beginning to be a real possibility before the firemen went on strike.

Direct fire wastage in Britain in 1976 is estimated to be £232m. Looking forward from that figure at the start of last year and allowing for the year's inflation to put 15 per cent. on the country's fire damage bill, it would have been reasonable to expect that the cost of direct fire damage last year would run out at about £266m.

But by the end of October, the bill was only just over £182m., so there had been an encouraging and positive downturn in the real cost of fire damage.

Insurers and the rest of us must wait for at least another three months to see whether that downturn has continued now that the firemen have been back at work for two months, or whether there are signs that, this year, the cost of fire damage will again increase.

Policyholders with policies due for renewal later in the year are asking what effect the strike will have on fire rates, and whether insurers will find it necessary to increase rates when they make their customary review of fire trading for the preceding year, towards the end of the summer. I rather think the answer is no, because figures produced by the Association seem to indicate that insurers may be able to absorb the cost of the firemen's strike without any far-reaching rating change.

But there is a proviso—that policyholders have maintained sums insured at levels to keep pace with inflation and so adequate to provide adequate funds for the claims that have arisen.

LOCAL AUTHORITY BOND TABLE

Authority (telephone number in parentheses)	Annual gross interest	Interest payable	Minimum sum	Life of bond
	%		£	Year
Barnsley Metro. (0226 203232)	10	½-year	250	4-7
Reading (0734 592337)	10	½-year	1,000	5-7
Redbridge (01-478 3020)	10	½-year	200	5-7
Southend (0702 49451)	9½	½-year	250	3
Thurrock (0375 5122)	10	½-year	300	4
Thurrock (0375 5122)	10¼	½-year	300	5-7
Wrekin (0952 505051)	8	½-year	500	2
Wrekin (0952 505051)	10	yearly	1,000	4

FT GROCERY PRICES INDEX

Rise of 2% biggest since December

BY ELINOR GOODMAN, CONSUMER AFFAIRS CORRESPONDENT

THE COST of the Financial Times grocery shopping basket rose by just over 2 per cent. in March, the last month of its existence in its present form.

The rise, which was the biggest since December and was largely due to more expensive meat and dairy products, took the index up to 271.66. This means that grocery prices have almost trebled since the present index was started just over seven years ago.

During that period the index has usually provided a reliable advance indicator of movements in the food component of the official Retail Prices Index. Its great advantage over the Government figures has been the much shorter interval—less than a week—between data collection and publication.

The idea of re-launching the FT index now is to retain its immediacy while changing both the sample of shops and the list of items so as to give a more accurate picture of shopping habits to-day.

Decimal

The Financial Times started monitoring grocery prices on a monthly basis in January 1965. The aim then, as now, was to monitor the prices of a typical shopping basket for a family of four on the same day each month.

This monthly series was continued until February, 1971, when decimal currency was introduced. During those six years, the index rose by 31 per cent.—less than a fifth as much as it rose over the next seven years.

In 1971, the list of items in the shopping basket was altered to take account of new purchasing patterns, but the 11 shops where prices were checked remain virtually the same.

Since then, the pace of change in retailing has increased dramatically. Types of shops, like the very large superstores and hypermarkets, which barely existed in 1971, are now an important element in grocery shopping while the share of trade taken by the small independent grocer has declined.

At the same time, food consumption habits have changed. For example people are drinking more milk than they were seven years ago but eating less bread.

New products have also come on to the market, though one of the surprising things about doing an exercise such as re-launching the index is finding just how conservative the Britishers are about eating—with a few exceptions the big sellers to-day are the big sellers of 1971.

More important, when it comes to monitoring the prices of the same list of goods regularly, pack sizes have changed over the years. The introduction of metric sizes over the last few years has made comparisons very difficult.

Checked

For all these reasons, it has been decided to re-base the index now. This has been done by Mr. Peter Shepherd, formally of the Retail Outlets Research Unit of Manchester Business School. He has collected the information from a wide variety of sources, including Government statistics and data on brand shares produced by market research companies.

The prices will contiuue to be checked by a group of housewives living in various parts of the country, but the number of shops in which the prices are monitored has been increased to 25.

The shops have been chosen to reflect the mix of stores used by consumers to-day in Britain as a whole. The old weighting to the south has been corrected and the distribution of the shops now reflects more accurately population distribution.

Included in the sample are all the big supermarket groups, together with one hypermarket (a store with a sales area of over 50,000 square feet) and two superstores (stores with between 25,000 and 50,000 square feet of selling space).

Three branches of different co-operative societies are being used as well as three of the new kind of cut-price discount stores and three members of the voluntary wholesale groups. The remaining shops are privately run grocers of varying sizes.

At the same time the list of prices monitored has been updated. The weightings have been calculated, where possible, according to the Government's food consumption statistics.

But because these are expressed in terms of commodity types—canned pineapple, offal—some small changes have to be made to translate these figures into items which are available on the supermarket shelves. As before, some non-food grocery items, like detergents, have also been included on the list.

Problem

The idea remains that the shoppers should monitor the prices of the same goods each month in the same shops, and so provide a barometer of changes in grocery prices several weeks ahead of the Government figures.

The problem, of course, is that shops sometimes run out of stock. Where the shoppers find that the listed product is not available, they are asked to use their common sense and make the kind of substitution they would make when shopping for their family.

Generally, we have used branded items on the list rather than retailers' own brands, but if the own-brand is the only product of its kind available, then the shopper will obviously monitor the price of that.

Some of the smaller shops included in the sample do not sell the whole range of goods on the list. In this situation, the shoppers have been asked to check the prices in another shop of the same kind—a shopper using a small corner grocer, for example, will go to a privately run greengrocer to check the prices of vegetables. Again the emphasis is on consistency and she will have to use the same greengrocer each month.

The FT grocery index has never been seasonally adjusted. No attempt has been made this time to make a full seasonal adjustment, but because a sudden switch from cheap old potatoes to expensive new potatoes can lead to an artificial rise in the index in the spring, a formula has been devised to phase in the more expensive potatoes over several months.

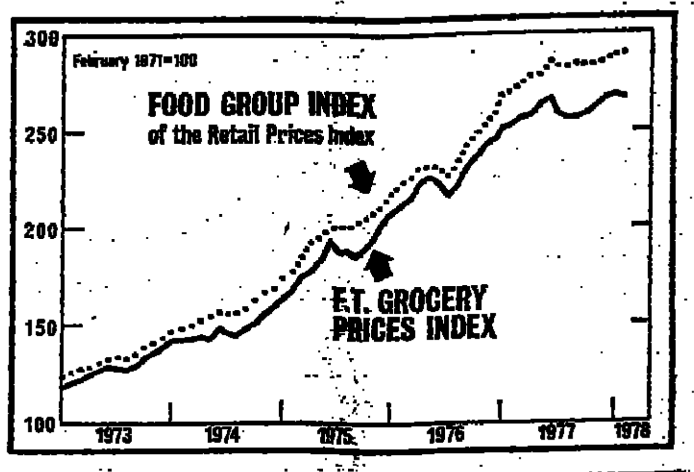
Though it is hoped that the new index will provide a more accurate gauge of movements in prices than the old one, it cannot, with a sample of only 25 shops, provide a precise figure for *average* food prices throughout the country. For this reason, it would be misleading for individual supermarkets to make price savings against it.

Changes

In the past a number of groups have used the FT index in their advertising and planning applications as a means of demonstrating that their prices are X per cent. below average. We have always pointed out that such claims are misleading.

They will continue to be so in spite of the refinements to the index because our shoppers may have made changes to the list—which are perfectly acceptable for our purposes because they are making the same change every month and so comparing like with like, but which make it impossible for outsiders to make precise comparisons.

Any company wanting to make their own internal comparisons with the FT's figures will, of course, be welcome to do so. Copies of the new list will be available from the Financial Times. Inquiries should be made to Miss Ingrid Eden, the Financial Times, Bracken House, Cannon Street, London, E.C.4.



FINANCIAL TIMES SHOPPING BASKET

MARCH, 1978

	Old list March	Old list February	New list March
Dairy produce	150.44	147.54	474.52
Sugar, tea, coffee, soft drinks	84.52	84.07	182.67
Bread, flour, cereals	93.85	92.59	223.01
Preserves and dry groceries	28.09	28.36	84.26
Sauces and pickles	15.28	15.14	40.81
Canned goods	51.30	49.78	155.74
Frozen foods	42.54	43.07	177.49
Meat, bacon, etc. (fresh)	186.30	180.47	403.83
Fruit and vegetables	90.92	86.36	200.81
Non-foods	59.63	60.78	180.72
Total	809.89	788.09	2,123.86

Old Index = 271.66
New Index = 100

To-day's events

GENERAL

Mrs. Shirley Williams, Education Secretary, speaks at National Union of Teachers' conference, Blackpool.

National Association of Schoolmasters and Union of Women Teachers' conference continues, Harrogate.

COMPANY RESULT

United Newspapers (full year).

COMPANY MEETINGS

See Week's Financial Diary on page 18.

MP opposes metric law for fruit sellers

AN MP launched a nationwide campaign yesterday to stop planned regulations which, he claimed could eventually land a greengrocer with a maximum £250 fine for selling apples by the pound.

Mr. Neville Trotter, Conservative MP for Tynemouth said he would be writing to the Prime Minister, and tabling Commons questions, urging him to abandon plans to force fruit to go metric.

"If he does not, he will be the gooseberry fool," he said.

"The Government is seeking legislation to make it an offence, punishable by a maximum fine of £250 for a shopkeeper who dares to offer certain goods for sale in other than metric units.

"The intention is that from the end of this year all hardware will have to be sold in metric units and it will be an offence to display or advertise them in imperial units. From next February it would apply to carpet and textiles."

Mr. Trotter added: "The next stage will apply to meat, vegetabels and fruit, you will have to buy them in grammes otherwise your shopkeeper could be heavily fined.

"This is bureaucracy gone mad, with bureaucrats hitting the high street. This must be fought and defeated at all costs. It is an outrageous proposal which offends all feelings of liberty."

Pardoe calls for higher food prices

MR. JOHN PARDOE, the Liberal MP, wants Britain's food to cost more. "Only higher food prices will make us self-sufficient."

In a statement from his North Cornwall constituency, he explained: "We are made to go on with our dependence on imported food. Without a strong manufacturing industry we shall not be able to pay for it.

"Our food imports cost as much as our oil imports cost us before North Sea oil was ever invented. We produce only half of the food we need.

"We could produce more. But it requires an investment in agriculture and a willingness to pay a higher price for food."

(Advertisement)

DKB'S ECONOMIC JOURNAL

March 1978: Vol. 7 No. 3

Japan faces necessity to carry out medium-range capital stock adjustm't

The current stagnation of economic activity has not stemmed solely from temporary and cyclical deterrents as was usually the case in the past transitions of the Japanese economy. It is more strongly ascribable to many and various factors caused directly or indirectly by the oil crisis in late 1973.

Particularly noteworthy is the obstinately lingering impact of the wide supply-demand gap that has cropped up in the wake of the oil crisis on the various economic adjustment operations. This trend has served to cause a continued imbalance in major phases of the Japanese economy and a protracted slump of the Japanese economy.

Supply-demand gap

The depth and range of the impact of the oil crisis on different branches of the Japanese economy have not been uniform. The start of its squeeze on them also has not been simultaneous.

In the first place, however, close attention should be paid to the fact that the supply-demand gap has begun to widen sharply particularly in the wake of the oil crisis. As shown in the accompanying chart indicating the trend of the supply-demand gap rate estimated on a GNP basis under the Cobb-Douglas production function formula, the gap, which stood still low at 4.9 per cent in fiscal 1973 (when the oil crisis took place in the second half), widened to 10.9 per cent in fiscal 1974. Continuing to stay high at over 10 per cent for the fourth consecutive year, it is estimated to remain at around 13 per cent in fiscal 1977 ending this month.

The effect of the oil crisis, as represented by the widening supply-demand gap dealt the first direct blow to the corporate sector. Despite the sharp upswing of major costs, such as personnel and raw materials expenses following the oil crisis, enterprisers have been unable to raise the prices of their products in view of the broad supply-demand gap. Corporate profitability consequently has deteriorated acutely.

The slump of the corporate sector eventually has begun to cause stagnation in other sectors of the national economy.

Macro-economic gap

Reference in this connection should be made to the trend of private plant and equipment investments, the branch exercising a vital influence on the latent growth potential of the national economy.

Private plant and equipment investments in real terms on a GNP basis continued to decline successively for eight quarterly periods from the January-March quarter of 1974 immediately after the oil crisis and stood in the October-December quarter of 1975 at a level 27.9 per cent lower than the one-time peak in the October-December quarter of 1973.

Such investments have continued sluggish since the start of fiscal 1977 (April) after a short-lived and modest recovery in fiscal 1976. Many and various factors serve to account for the protracted stagnation of private plant and equipment investments.

In the period before the oil crisis, the corporate business performance was the predominant factor swaying the course of private plant and equipment investments.

After the oil crisis, however, this factor has been replaced by another—the supply-demand balance. In other words, the high level of the supply-demand gap is the most important factor responsible for the current stagnation of private plant and equipment investments. The standstill of such investments is a natural consequence of the oil crisis.

The stagnation of plant and equipment investments resultantly serves to slacken the increasing tempo of capital stock and eventually the rising pace of supply capacity. To clarify this point, reference may be made to the transitions of plant-equipment investments, capital stock and supply capacity (on GNP basis).

In the first place, the growth of supply capacity has continued to decline since the one-time peak in around 1970 before the oil crisis. Principally responsible for this trend are above all the following three deterrents — 1) Restriction on resources, including energy sources; 2) Environmental restraint; 3) Stagnation of technological innovation.

However, one specific point is worthy of close attention from a short-range standpoint. That is, the stagnation of the growth tempo of capital stock and supply capacity has not been so conspicuous as the slowdown of the increase of plant and equipment investments since the oil crisis.

In fact, private plant and equipment investments, although continuing sluggish for months, still have remained on the plus side on a flow basis. As a result, the increasing tempo of capital stock and supply capacity has not slowed down particularly. In other words, adjustment of capital stock has failed to make smooth progress.

It may be said that the unexpectedly slow progress of capital stock adjustment is another cause of the delayed exit of the supply-demand gap, although the slump of gross demand has been partly responsible.

Medium-range approach

It is considered necessary to approach the job of putting an end to the supply-demand gap from the two different sides, that is, creation of demand from a short-range standpoint and adjustment of capital stock from a medium-range standpoint.

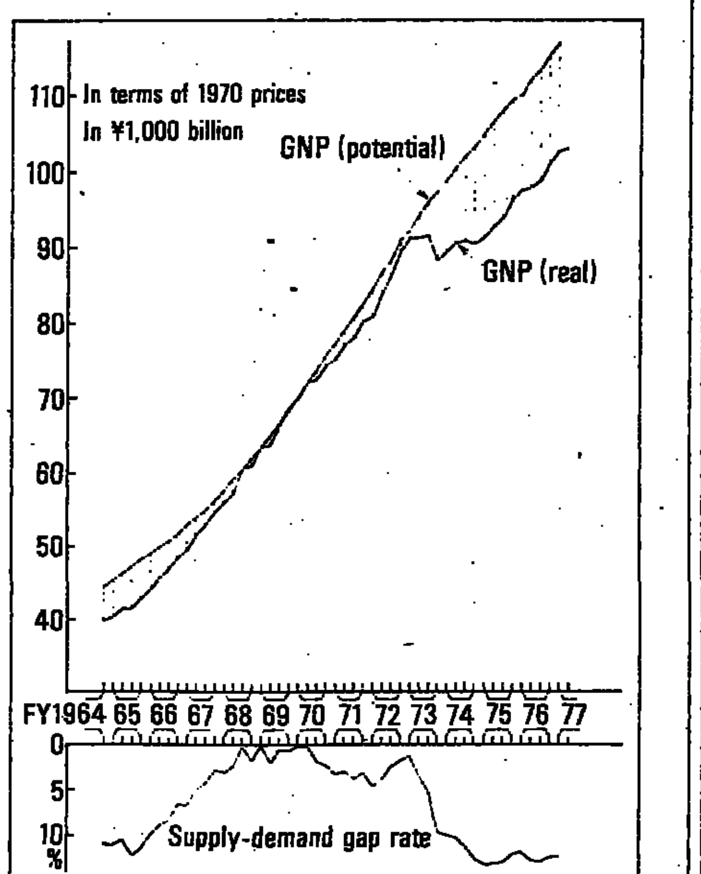
Under such circumstances, the Government should take measures for creating demand within a short period, including tax slashes and additional public investments in the fiscal phase.

However, it appears that excessive stress has been placed on the need of creating demand within a short period in recent years to the relative neglect of the necessity of adjusting capital stock under a medium-range program. The importance of creating demand is undeniable. However, it is essential to see that short-term creation of demand should not serve to delay the smooth progress of medium-range adjustment of capital stock.

For instance, the current stagnation of private plant and equipment investments is a natural consequence of the oil crisis. Hence, the major cause of the protraction of the present economic stagnancy should not be sought in the slump of such investments.

Assuming that plant and equipment investments as a whole are stimulated by orthodox measures, such as the reduction of taxes on such investment outlays, in disregard of the foregoing fact, for instance, the existing supply-demand gap may be temporarily diminished. However, it eventually may serve to delay necessary adjustment of capital stock in some cases and consequently further to protract economic stagnation.

TRENDS IN GNP AND SUPPLY-DEMAND GAP RATE



Note: Supply demand gap rate $= \frac{\text{Potential GNP} - \text{Real GNP}}{\text{Potential GNP}}$

Source: National income statistics of Economic Planning Agency

Moreover, the effect of the program for creating short-term demand has begun to come into question recently in view of various brakes, such as the limit to the necessary fiscal outlay from the revenue shortage and the decline of the propagating effect of public investments to spur demand.

Under such circumstances, it has become increasingly necessary to approach the program for diminishing the supply-demand gap in the supply phase by efficiently and effectively propelling capital stock adjustment and thereby slackening the growth of supply capacity.

Considering that adjustment of capital stock intrinsically has a phase difficult of making smooth progress, at the same time, it also is deemed necessary for the Government to have a medium-range insight as to its policy programs so that sound progress of efficient capital stock adjustment may not be obstructed.

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Decem

Recent tastings of young vintages

WINE

BY EDMUND PENNING-ROWSELL

TASTINGS in London to which those who write about wine are usually invited are basically for trade buyers, and more often than not of wines recently or about to be shipped. In most cases they are not, therefore, available on any retail list; for the purpose of the tastings is to bring this about. Accordingly it is not often possible here to recommend a wine, and then pinpoint where it may be bought and at what price. However some general recommendations may be helpful to consumers, who can then draw their own conclusions.

A good example was a tasting held a little time ago by Laurence Hayward, whose retail side is Layton's of 11 Gough Square, E.C.4. Basically it was a tasting of lesser clarets of the '75, '74 and '73 vintages, all from the right bank of the Dordogne and Gironde and from the firm of A. Moueix of Libourne, not to be confused with Jean-Pierre Moueix, whose business is usually in the higher flights of St-Emilion and Pomerol estates, including Magdaleine and Pétrus. What emerged from this tasting was that there are some very attractive minor '75s, and some rather tough, tannic ones. Those that I particularly liked were Clos-La-Fleur-Figeac, du Cauze—both St-Emilions — and Moulinet, belong to M. Moueix himself, from Pomerol. Retail prices can only be guessed at, but on the bases of ex-cellars prices quoted one might estimate them at about £2.50, £3.25 and £4 respectively. The '74s did not much appeal to me: mostly very light in colour, and either hard and short or just rather dull.

Another tasting of young clarets was given by Hunt and Braithwaite of 42, Monmouth Street, W.1., and these were impossible to price even approximately, as all were quoted in francs. An inexpensive one, however, from a Médoc estate that usually makes good wine was the '76 La Tour-de-By, a fruity claret with plenty of backbone. Higher up the scale were three vintages of Siran, a Labarde *crus bourgeois* entitled to the Margaux appellation, and a growth deserving of a higher rating if the Bordelais manage ever to compose their differences and have a new classification. The '74 was light as expected, with an "oak" flavour that tended to mask the fruit. The '75 was closed up and hard as most '75s now are, but no doubt will develop well, but the '76 showed plenty of promise with a most attractive flowery nose, and well-balanced, fruity flavour. Siran belongs to the Miailhe family, also owners of Pichon Lalande, and both the '75 and '76 of that second-growth were shown.

Burgundy tastings here are much less common than those devoted to bordeaux, partly because Côte d'Or wines are in relatively short supply and sell themselves, partly because demand for them is much smaller than for bordeaux; and they are expensive too. One annual one, nevertheless, is that of Louis Latour, certainly the most widely respected merchant in the Côte d'Or, especialy for his white wines, for he is a proprietor both in Corton Charlemagne and in the tiny Chevalier Montrachet. At his last tasting, a few months ago, he showed first a selection of '76 whites and reds, with the former tasting much better at the time than the reds, some of which were out of condition or rather dumb, as is likely to happen with samples drawn from the cask. One excellent white burgundy that Latour usually offers is Meursault Blagny, and the '76 had a fine aroma and a deep, fruity flavour, while the Puligny-Montrachet was more elegant, and still had a slight, rather attractive, petillance. Retail prices about £5.50 apiece. The Corton Charlemagne had a big "oaky" flavour, but was rather closed up on nose and palate. No doubt it will unfold in due course; unlikely to cost much less than £8 a bottle. Of the reds there was an excellent Morgon (c.£3.50), while the Beaune Vignes Franches (£6) had more colour and fruit than some; but my favourite was the Chambolle-Musigny (£6), a fruity wine with plenty of body. There were also some '73 and '72 red burgundies, relatively less expensive and, of course, more ready to drink. I particularly enjoyed the Beaune Vignes Franches (£5) and the Volnay Premier Cru (£5.50).

One of the few regular annual tastings held each year for trade and retail customers is O. W. Loeb, of 15, Jermyn Street, W.1. They cannot be excelled for fine estate-bottled German wines. These, it cannot be denied, are now expensive, though more on account of the high rating of the deutschmark than of excessive costs at source. Germany had the rather rare experience of producing two exceptional vintages in a row: '75 and '76. The former had probably more elegance and balance, for the '76s, on which Loeb concentrated this time, were much richer, with almost an excess of spätlese and upwards qualities, and certainly a deficiency at lower levels. Of these '76s I found the Moselles specially attractive, notably the Saars and Ruwers, for they had more acidity. I picked out the Falkensteiner Hofberg Spätlese (Friedrich - Wilhelm Gymnasium), from a village near the mouth of the Saar that only makes really fine wines in exceptional years. The other Saar that appealed to me was Egon Muller's Scharzhofberger Spätlese, while, as usual, Schubert's Maximin Grünhäuser Spatlese from the Ruwer was delicious. Of the Rhine wines my choice among the less expensive examples included the Johannisberger Vogelsang Spätlese (Eser, £3.80) and among the rarities, the Kiedricher Sandgrub Auslese (Fishcher, £6.57).

Coming down from such heights, were two more recent tastings of interest. The first was of '77 and '76 Beaujolais from the well-known firm of Georges Duboeuf. The '76s were greatly superior to the excessively light '77s, although a Brouilly Ch. de Nervers and a Moulin-à-Vent had some fruit. The '76s had more colour, flavour and depth, and my two favourites were the Morgon, Cuvée Descombes and the Juliénas. The prices ranged about the £3 mark and the agents here are Genevieve Wine Cellars, 167 Caledonian Road, N.1.

The second affair was of Hungarian wines. Of all the Eastern European wines, the Hungarians are probably the most individual, for they tend to rely on their own grapes, such as the Furmint —a constituent of the delicious but here under-appreciated Tokay—and the Kadarka, the basis of Bulls Blood, Egri Bikaver. The '74 of this wine is a fine big, dark coloured, mouthful of a red wine for those who like, as the saying goes, to "chew" their wine. At around £1.75 it is excellent value. So are the Olasz Reisling, which is not the same as the Rhine Riesling, but a clean, fresh wine, and the Pecs Olasz Riesling, a firm, medium dry wine of character.

APPOINTMENTS

COMPANY NOTICES

INTERNATIONAL DEPOSITARY RECEIPTS REPRESENTING SHARES PAR VALUE $2.50 COMMON STOCK J. P. MORGAN & CO. INCORPORATED

A cash distribution of $0.55 per Depositary Share will be payable on and after the 21st April, 1978 upon presentation of Coupon No. 30 at:
Morgan Guaranty Trust Company of New York, 23, Wall Street (Corporate Trust Department), New York
35, Avenue des Arts, Brussels.
33, Lombard Street, London.
82, Frankrijklei, Antwerp,
at the designated rate, less applicable taxes.

This distribution is in respect of the regular quarterly dividend payable on the common shares P.V. $2.50 J. P. Morgan & Company Incorporated on the 14th April, 1978

Midland Bank Limited

Notice of Meeting

NOTICE IS HEREBY GIVEN that the one hundred and forty-second annual general meeting of Midland Bank Limited will be held at The Chartered Insurance Institute, 20 Aldermanbury, London EC2, on Wednesday, 19 April 1978, at 11 a.m., to receive and consider the Directors' report and audited accounts for the year ended 31 December 1977 and declare the final dividend, to appoint Directors in place of those retiring, to appoint the Auditors and to authorise the Directors to fix the Auditors' remuneration.

A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, to vote instead of him or her. A proxy need not be a member of the company. To be valid, forms of proxy must reach the Registrar at Midland Bank Limited, Courtwood House, Silver Street Head, Sheffield S1 3RD, not less than forty-eight hours before the time fixed for the meeting.

By order of the Board
D. P. G. WYATT, Secretary.

Registered Office:
Poultry,
London EC2P 2BX.
23 March 1978.

PUBLIC NOTICES

SOUTH EASTERN ELECTRICITY BOARD
REVISION OF TARIFFS

Pursuant to Section 37 of the Electricity Act 1947, as amended by Section 14 of the Electricity Act 1957, the Board hereby gives notice that it has fixed the following tariffs to come into effect on the dates stated hereunder:—

Title of Tariff	Effective Date
1. Domestic Two-Part Tariff 2. Domestic White Meter Tariff 3. Domestic White Meter Economy Six Tariff 4. Flat Rate Tariff 5. Off-Peak Tariff 6. Tariffs Five-Forty	Effective from the dates of the first normal meter readings taken after the 31st March 1978 or the dates on which those readings would ordinarily have been taken.
7. Maximum Demand Tariff	Effective from the date of the normal meter reading nearest to the 1st April 1978 or the date on which a meter reading would ordinarily have been taken.

Present tariffs corresponding to those set out above shall cease to have effect when the new tariffs come into force. Particulars of the new tariffs may be obtained on application at any of the Board's shops or offices.

The Board has consulted the South Eastern Electricity Consultative Council and the Electricity Council with regard to the new tariffs

The rates contained in the revised tariffs 1 to 6 above are as shown below:—

1. Domestic Two-Part Tariff		
Quarterly Charge	£2.63	
Unit Charge		2.67p
2. Domestic White Meter Tariff		
Quarterly Charge	£3.96	
Unit Charge Day Rate		2.79p
Unit Charge Night Rate		1.14p
3. Domestic White Meter Economy Six Tariff		
Quarterly Charge	£3.96	
Unit Charge Day Rate		2.74p
Unit Charge Night Rate		0.9p
4. Flat Rate Tariff		
Lighting flat rate per unit		7.2p
Cooking, heating and motive power flat rate per unit		3.75p
(This tariff is no longer available for new supplies.)		
5. Off-Peak Tariff		
Annual Charges	£3.04	
Rate 'C' Unit Charge		1.14p
Rate 'D' Unit Charge		1.37p
Rate 'O' Unit Charge		1.515p
(This tariff is no longer available for new supplies.)		
6. Tariffs Five-Forty		
Fixed Block Tariff, final unit rate ...	2.25p	With corresponding changes to other unit rates.
Variable Block Tariff, final unit rate	1.92p	
Night Rate (9-hour)		1.14p
Night Rate (6-hour)		0.9p

In all the above tariffs the unit rates are based on fuel costs at £20 per tonne.

Consumers taking supply under Agreements or in accordance with the Maximum Demand Tariff (mostly industrial and large commercial concerns) and Public Lighting Terms (mostly local authorities) will be notified individually of the revised charges.

INCREASE OF STANDARD DOMESTIC CONNECTION CHARGE

With effect from the 1st April 1978 the Board is increasing the Standard Domestic Connection Charge to £90 per new domestic dwelling.

D. A. GREEN,
Secretary.

Queen's Gardens,
Hove, East Sussex
BN3 2LS
March 1978

SEEBOARD
SOUTH EASTERN ELECTRICITY

APPEALS

GOURMET

PLANT AND MACHINERY

CLASSIFIED ADVERTISEMENT RATES

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Cartwright (R.)
Desoutter Bros.
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Erith
Hewitt (J.) (Fenton)
Lilley (F.J.C.)
Mixconcrete
Mole (M.)
Municipal Properties
Prudential Assurance
Pye Holdings
Reckitt and Colman
Relyon PBWS
Transatlantic Market Trust
Warne Wright and Rowland
Wilkinson Warburton
Winston Estates
Interims—
LWT Holdings
Lucas Industries
Martin (R.P.)
Sirdar
DIVIDEND & INTEREST PAYMENTS—
Bath and Portland 1.798p
Bendix Corpn. 57 cents
Blaby 11½pcBds. Red. 28/3/79 5¾pc
Calcutta Electric Supply Corpn. 6pcPf 3pc
Camden 13pcBds. Red. 24/3/82 6½pc
Hogg Robinson 3.63p
Newham 13pcBds. Red. 24/3/82 6½pc
Nottingham 11½pcBds. Red. 28/3/79 5¾pc
Rochford 11½pcBds. Red. 28/3/79 5¾pc
Rotherham 11½pcBds. Red. 28/3/79 5¾pc
Slough 11½pcBds. Red. 28/3/79 5¾pc

WEEK'S FINANCIAL DIARY

The following is a record of the principal business and financial engagements during the week. The Board meetings are mainly for the purpose of considering dividends and official indications are not always available whether dividends concerned are interims or finals. The sub-divisions shown below are based mainly on last year's timetable.

Acrow 5½pcPf. 1.925pc. Db. 1½ 3¼ 5¾pc
Advance Laundries 8pcPf. 2.8pc
Aerlinte Eireann Teoranta Db. 5¼pc
Aeronautical Gen. Instruments 4½pcPf. 1.575pc
Allen (Edgar) Balfour 5pcPf. 1.75pc
Allen (W. G.) (Tipton) 0.8p. 5pcPf. 1.75pc
Alliance Prop. Db. 3¾pc
Allied Irish Banks Ln. 5pc
Allied Suppliers Ln. 3pc
Allnatt London Props. Db. 4¾ 3¾pc
Amalg. Distilled Prods. Ln. 4½pc
Amalg. Indust. 7pcPf. 2.45pc. Db. 3¼pc
Andersons Rubber Ln. 4pc
Anglo Continental Inv. Fin. Db. 4¼pc. 6 mths. rate Db. 1.9634pc
Arbuthnot Latham Ln. 2¾ 4pc
Arden Cobden Hotels 3.1p
Argyle Secs. Dbs. £5.278767 £6.028767
Ashton Db. 3½pc
Aspro-Nicholas Db. 3¼pc
Assoc. Engin. 6½pcPf. 2.275pc. 7¼pcPf. 2.5375pc. Db. 3¾ 3¾ 5½pc. Ln. 4pc
Assoc. Fisheries Ln. 3½pc
Assoc. Newspapers Ln. 3¾ 4¼pc
Assoc. Paper Indust. 5½pcPf. 1.925pc

...

Wigan 6½pcBds. Red. 4/10/78 3¼pc
TO-MORROW
COMPANY MEETINGS—
General Cons. Invest. Trust. 8. Waterloo Place S.W. 3.45.
Kingside Inv. 44 Bloomsbury Square W.C. 3.
Yeoman Invs. 8 Waterloo Place. S.W. 3.
Whittington Group Birmingham 12.
BOARD MEETINGS—
Finals—
Barton
Bronx Engineering
Dorada
2 15

COMPANY MEETINGS—
Aaronson Bros. Savoy Hotel. W.C.. 12.
Associated Sprayers. Birmingham. 12.
Bath and Portland. Bath. 12.
Debenture Corpn., Winchester House. E.C.. 12.
Glass and Metal Connaught Rooms W.C.. 10.
Lloyds Bank 71. Lombard Street. E.C.. 3.
Newbold and Burton. Leicester. 10.30
River Plate and General Trust. 44. Bloomsbury Square. W.C.. 12.
River and Mercantile Trust. 44. Bloomsbury Square W.C.. 11.15.
Thermal Syndicate. Newcastle upon Tyne.

Gaskell (Bacup)
Lyle Shipping
Matthews (B.)
North British Canadian Inv.
Thomson Organisation
Interims—
Bridport-Gundry
Mucklow (A.J.)
Pifco
Wankie Colliery
DIVIDEND & INTEREST PAYMENTS—
A.A.H 2.75p
Aaronson Bros. 5.25pcPf. 2.625pc. 4.25pcPf. 2.125pc
Aberdeen Tst. 4pcPf. 1.4pc

Bond Street Fabrics Ln. 3½pc
Boot (Henry) 4.2pcPf. 2.1pc
Boots Lns. 3 3¾pc
Border Brews. (Wrexham) 6pcPf. 2.1pc
Boscombe Prop. 5pcPf. 1.75pc
Boulton and Paul Db. 3. 3¾pc
Bowater Con. 5½pcPf. 1.925pc
Bowaters Newfoundland Pf. 2¼pc
Bowthorpe Db. 4pc
Brady Inds. Db. 5½pc
Braid Grp. Db. 3½pc
Braithwaite Engineers 7½pcPf. 2.625pc
Brasran 6pcPf. 1.5pc
Bright (John) Ln. 4pc
Bristol and West Hotels Db. 3¼pc

...

Heslair Cons. Prods. Ln. 5pc
Hickson Welch 6pcPf. 2.1pc
Higgs Hill Deb 4¼pc. Ln. 4pc
Hill (Philip) Inv. Tst. Deb. 2¼pc. Ln. 2¼pc
Hill Samuel Warrant 3½pc. 7pc Bds. Due 1982 3½pc. Ln. 4pc
Hoffnung (S.) 4.55pcPf. 2.275pc. Ln. 6pc
Hogg Robinson Ln 4¼pc
Hollas 0.983p
Hollis Bros and ESA 7pcPf. 2.45pc. Ln. 4pc
Home Brewery 5¾pcPf. 2.0125pc
Howard Tenens Svcs Deb. 3¼pc
Hovle (Joseph) Son 5pcPf. 1.75pc
ICL Deb. 2¼pc
ITT Distributors 3¼pc 4¼pc
Imasco A 37 cts. B 31.45 cts. Pf. 3pc
Imperial Cont. Gas Ln. 3 3½pc
Imperial Foods Deb. 3¾pc
Imperial Metal Inds. Ln. 4¼pc
Inchcape 6p. 8½pcPf. 2.975pc Ln. 2¾ 3¼ 4 5¼ 8¼pc

Smith (W. H.) 4½pcPf. 1.575pc. 7pcPf. 2.45pc
South Cornwall Water Brd. 6pc 3pc
Sparrow (G. W.) Ln. 4¼pc
Speedwell Gear Case 6pcPf. 2.1pc
Sphere Inv. Tst. Db. 2¼pc
Stag Furniture New 10pcPf 3.02pc. 10pc Pf. 4.23pc
Standard Chartered Bank Ln. 12¼pc
Staveley Indust. 5¼pcPf. 1.8375pc. Ln 3¼ (86-91) 3¼pc (88-93)
Stead Simpson Db. 2¼pc
Stenhouse Ln. 3¼ 3¾pc
Sterling Ests. Db. 4pc
Sterling Idust. 5¼pc1stPf. 3.675pc
Stimpson-Parkins 5pcPf. 1.75pc
Stirling Knitting 0.35p
Stock Conversion Inv Tst. 0.99p. Ln. 2¼pc
Stocklake Ln. 3¼pc
Stone Platt Indust. Db. 3½pc
Sunderland (Joseph) 6pcPf. 2.1pc
Sungei Krian Rubber Est. 75p
Sutton Dist. Water 7pc 3.5pc. 4.9pc

First Chicago 25 cts
GEC-Elliott Automation Db 2¾ 3¼ (1981-86) 3¼pc (1989-94)

SUNDAY, APRIL 2
DIVIDEND & INTEREST PAYMENT—
Stewart and Wight 7p

NOTICE OF REDEMPTION

To the Holders of

Aktiebolaget Svensk Exportkredit

(Swedish Export Credit Corporation)

9% Notes Due 1982

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Indenture dated as of April 15. 1975 providing for the above Notes, $7,500,000 principal amount of said Notes bearing the numbers set forth below have been selected for redemption on April 15. 1978, through operation of the Sinking Fund, at the redemption price of 100% of the principal amount thereof, together with accrued interest thereon to said date:

NOTES OF $1,000 EACH

7	1109	1949	2860	3785	4759	5687	6561	7484	8457	9395	10437	11462	12644	14311	15360	16343	17302	18333	19318	20219	21053	22094	23151	24059
8	1114	1951	2864	3790	4763	5692	6571	7501	8480	9420	10446	11470	12650	14327	15375	16349	17303	18343	19319	20221	21070	22106	23160	24071
17	1126	1952	2875	3791	4767	5694	6577	7504	8481	9423	10450	11474	12651	14331	15381	16357	17320	18350	19331	20226	21086	22113	23171	24076
28	1127	1957	2877	3796	4772	5698	6579	7515	8494	9427	10451	11505	12655	14333	15383	16362	17337	18356	19326	20229	21096	22117	23174	24079
38	1130	1960	2878	3805	4780	5700	6586	7518	8501	9428	10454	11512	12657	14345	15386	16365	17346	18357	19339	20231	21097	22121	23180	24082
39	1151	1962	2886	3807	4792	5704	6593	7522	8505	9436	10462	11515	12672	14349	15387	16371	17348	18370	19357	20234	21099	22129	23181	24083
42	1152	1976	2898	3810	4797	5710	6599	7524	8506	9438	10469	11521	12679	14361	15390	16380	17352	18387	19371	20240	21104	22134	23184	24084
56	1162	1984	2923	3813	4811	5715	6604	7525	8508	9439	10495	11523	12690	14365	15397	16381	17357	18388	19374	20248	21125	22143	23192	24097
68	1165	1986	2924	3825	4822	5737	6606	7528	8512	9440	10499	11526	13310	14374	15409	16382	17366	18393	19375	20256	21139	22158	23197	24108
69	1175	1987	2925	3829	4832	5739	6812	7538	8526	9458	10500	11527	13313	14385	15414	16398	17379	18397	19382	20263	21141	22163	23202	24117
941	1785	2682	3604	4609	5532	6400	7319	8301	9225	10244	11273	12419	14107	15174	16161	17121	18171	19132	20057	20921	21924	22922	23851	24798
943	1788	2684	3607	4616	5535	6402	7320	8304	9227	10246	11274	12425	14123	15182	16163	17122	18176	19145	20058	20933	21941	22934	23871	24799
946	1805	2685	3611	4620	5543	6405	7339	8307	9230	10262	11278	12426	14124	15195	16168	17171	18182	19146	20072	20936	21945	22939	23873	24809
948	1806	2688	3619	4623	5549	6410	7347	8335	9233	10268	11284	12427	14127	15211	16205	17175	18183	19147	20073	20940	21948	22946	23885	24810
968	1819	2692	3632	4629	5553	6416	7354	8346	9249	10274	11287	12442	14150	15215	16214	17181	18198	19159	20088	20943	21955	22947	23886	24817
971	1825	2705	3641	4633	5554	6418	7363	8347	9256	10285	11303	12448	14156	15220	16229	17184	18201	19160	20096	20945	21956	22957	23889	24830
972	1828	2708	3644	4638	5556	6419	7366	8354	9258	10295	11304	12477	14159	15228	16230	17186	18205	19162	20098	20950	21958	22974	23894	24837
1008	1829	2722	3649	4641	5564	6430	7367	8355	9262	10298	11312	12510	14162	15229	16231	17193	18207	19166	20101	20953	21963	22988	23897	24854
1009	1837	2727	3656	4644	5566	6447	7375	8358	9267	10303	11328	12513	14169	15230	16235	17197	18210	19170	20107	20954	21973	22991	23900	24857
1010	1839	2738	3658	4646	5569	6463	7378	8364	9273	10325	11330	12514	14174	15231	16242	17198	18212	19209	20108	20955	21984	23005	23902	24882
1012	1841	2741	3661	4655	5583	6469	7385	8371	9277	10329	11332	12516	14180	15240	16246	17206	18219	19215	20122	20958	21986	23009	23907	24883
1015	1843	2747	3671	4658	5590	6470	7390	8383	9283	10330	11334	12523	14212	15242	16247	17207	18223	19230	20124	20959	21990	23017	23916	24890
1021	1848	2768	3678	4671	5594	6474	7392	8391	9296	10331	11344	12537	14224	15243	16254	17213	18224	19233	20132	20962	21990	23019	23922	24891
1022	1853	2769	3683	4672	5598	6483	7397	8392	9307	10332	11347	12539	14227	15251	16265	17218	18233	19235	20143	20966	22018	23032	23923	24894
1029	1871	2780	3684	4677	5601	6491	7403	8394	9313	10334	11361	12545	14234	15252	16271	17219	18241	19239	20148	20967	22020	23051	23945	24907
1035	1874	2790	3696	4684	5602	6498	7407	8399	9315	10350	11362	12565	14235	15267	16291	17221	18246	19244	20165	20969	22023	23056	23948	24911
1038	1879	2793	3699	4687	5622	6506	7409	8406	9317	10363	11365	12567	14237	15270	16294	17228	18254	19253	20169	20982	22036	23064	23949	24920
1051	1905	2804	3701	4690	5627	6510	7414	8410	9327	10365	11371	12574	14253	15274	16308	17230	18261	19254	20177	20988	22061	23066	24008	24922
1053	1906	2805	3720	4719	5647	6511	7432	8414	9337	10381	11395	12578	14257	15283	16309	17237	18270	19261	20185	21018	22072	23067	24010	24923
1055	1912	2813	3725	4720	5650	6522	7445	8416	9342	10382	11398	12590	14271	15287	16318	17246	18279	19281	20187	21021	22074	23073	24014	24927
1063	1918	2816	3746	4721	5651	6529	7448	8430	9347	10391	11414	12593	14281	15291	16319	17256	18287	19288	20188	21023	22077	23079	24016	24932
1072	1925	2819	3747	4722	5660	6530	7454	8433	9354	10404	11419	12595	14290	15297	16323	17266	18288	19291	20192	21025	22081	23100	24023	24965
1077	1926	2827	3761	4730	5662	6536	7461	8436	9363	10415	11438	12605	14291	15302	16331	17268	18290	19298	20193	21027	22086	23103	24028	24985
1093	1938	2839	3777	4747	5673	6540	7463	8438	9383	10422	11439	12611	14292	15325	16334	17273	18294	19299	20194	21031	22088	23116	24042	24994
1094	1940	2854	3782	4754	5680	6548	7472	8448	9392	10423	11444	12624	14299	15351	16339	17284	18297	19304	20200	21032	22090	23122	24053	24996
1096	1945	2856	3784	4755	5686	6559	7483	8449	9394	10424	11454	12641	14309	15353	16341	17288	18307	19307	20210	21034	22092	23146	24056	24999

On April 15, 1978, the Notes designated above will become due and payable in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts. Said Notes will be paid, upon presentation and surrender thereof with all coupons appertaining thereto maturing after the redemption date, at the option of the holder either (a) at the corporate trust office of **Morgan Guaranty Trust Company of New York, 15 Broad Street, New York, N.Y. 10015,** or (b) subject to any laws or regulations applicable thereto, at the main offices of Morgan Guaranty Trust Company of New York in Brussels, Frankfurt/Main, London or Paris, at the main office of Banque Générale du Luxembourg, S.A. in Luxembourg, the head offices of Skandinaviska Enskilda Banken, Post- och Kreditbanken, PKbanken or Svenska Handelsbanken in Stockholm or the head office of Götabanken in Göteborg. Payment at the offices referred to in (b) above will be made by check drawn on a dollar account, or by transfer to a dollar account maintained by the payee, with a bank in New York City.

Coupons due April 15, 1978 should be detached and collected in the usual manner.

On and after April 15, 1978 interest shall cease to accrue on the Notes herein designated for redemption.

Following the aforesaid redemption, $14,500,000 principal amount of the Notes will remain outstanding.

Dated: March 9, 1978

AKTIEBOLAGET SVENSK EXPORTKREDIT
(Swedish Export Credit Corporation)

NOTICE

The following Notes previously called for redemption have not as yet been presented for payment:

13	192	296	361	1069	1560	2131	2238	2715	2735	2743	2766	2781	2799	2811	2826	2852	2884	2942	20323
1	195	297	363	1551	2125	2233	2710	2721	2736	2745	2770	2785	2801	2821	2831	2869	2890	2944	20330
3	200	305	364	1555	2130	2236	2714	2724	2737	2758	2775	2794	2810	2825	2637	2882	2941	10040	20418

Dfls. 60,000,000.–
6½% bearer guaranteed Notes of 1972 due 1976/1979
of
HOLIDAY INNS OVERSEAS CAPITAL CORPORATION

THIRD ANNUAL REDEMPTION INSTALMENT

(Redemption Group Nos. 2 and 4 having fallen due before)

Notes belonging to Redemption Group No. 3 will be redeemed on and after

MAY 1, 1978

in accordance with drawing effected on March 15, 1978 pursuant to the Terms and Conditions.

Paying Agents:
Amsterdam-Rotterdam Bank N.V.
Algemene Bank Nederland N.V.
Bank Mees & Hope NV
Pierson, Heldring & Pierson N.V.
in Amsterdam
and
Banque Générale du Luxembourg S.A.
in Luxembourg.

March 28, 1978

CONTRACTS AND TENDERS

Democratic and Popular Republic of Algeria

Ministry for Industry and Energy
ENTREPRISE NATIONALE SONATRACH
Marketing Division
Departement Realisation Infrastructure
International Invitation to Tender No. 3/77

SONATRACH is launching an international invitation to tender for the Engineering Study, the supply of equipment, the construction and starting into operation in HASSI-MESSAOUD, of a residential complex in semi-traditional or prefabricated industrial building which will include:

— Administrative offices
— Socio-cultural installations
— Installations for sporting activities
— A unit of 200 individual rooms for supervisory personnel
— A unit of 1.200 individual rooms for other staff
— Associated installations.

Interested companies may obtain the tender documents as from the publication date of the present announcement, against a payment of Dinars 200 (two hundred dinars) from:

SONATRACH — Division Commercialisation
Direction Réalisation Infrastructure
Route des Dunes—Base ALCIP—
CHERAG (Algiers) Algeria
Tel. 81.09.69 to 96
Telex: 52.808 — 52.292 — 52.293 — 52.969 — 52.779.

Tenders, together with the relevant usual references, should be sent by registered mail in double sealed envelopes to Entreprise Nationale SONATRACH, at the above-mentioned address, the inside envelope clearly addressed as follows:

"A NE PAS OUVRIR — SOUMISSION — A.O.I. no. 3/77"
not later than 31st May, 1978.

Tenderers remain bound by their quotations for a period of 120 days.

Tenders which will not respect the above-mentioned indications will not be taken into consideration.

HELLENIC REPUBLIC

MINISTRY OF NATIONAL EDUCATION AND RELIGION, ATHENS, GREECE
EDUCATION PROJECTS

Implementation Directorate Announcement

REPEAT INTERNATIONAL TENDER FOR THE SUPPLY OF EDUCATIONAL EQUIPMENT AND SPECIAL FURNITURE

1. It is hereby announced that a repeat international tender will take place on the 29th (twenty-ninth) of May of the year 1978, for the supply of educational equipment and special furniture for the five higher technical and vocational education centres (HTVEC) in Athens, Thessaloniki, Larissa, Patras and Eraclion (Crete).
2. The estimated cost is four hundred million drachmas (400,000,000 Drs.).
3. Interested suppliers may obtain information by applying at the offices of the Education Projects Implementation Directorate, 6th Floor, Ministry of Education, 15 Metropoleos Street, Athens, Greece, and should they wish to purchase the tender documents, they are kindly requested to forward a cheque issued to the order of "The Ministry of National Education and Religion, Education Projects Implementation Directorate," 15 Metropoleos Street, Athens, Greece, in the amount of US Dollars 40.00 (forty) which is the value of the documents plus postage expenses. The tender documents are:
1. Specifications.
2. Definitions — Invitation to tender — Conditions of Contract — General terms of specifications.
3. Lists — Bills of quantities.

Director
E. KARAYIANNOPOULOS.

Businessman's Diary

U.K. TRADE FAIRS AND EXHIBITIONS

te	Title	Venue
rrent	Daily Mail Ideal Home Exhibition (cl. Apr. 1)	Olympia
r. 3—6	Environmental Pollution Control Equip. Exbn.	U.S. Trade Center, W.1
r. 3—7	Int. Heating, Ventilating & Air Conditioning Exbn.	Nat. Exbn. Centre, B'ham.
r. 4—6	Electro-Optics Exhibition	Metropole Centre, Brighton
r. 4—6	Computermarket '78 Exhibition	Bloomsbury Centre HU., WC1
r. 4—7	Information Handling & Management Exhibition	West Centre Hotel, S.W.6
r. 10—13	International Gas Turbine Exhibition & Conf.	Wembley Conf. Centre
r. 10—14	National Printing Machinery Exbn.	Nat. Exbn. Centre, B'ham.
r. 11—14	London Fashion Exhibition	Earls Court
r. 11—15	Scottish Building & Public Works Exhibition	Glasgow
r. 18—21	Storage, Handling & Distribution Exhibition	Olympia
r. 18—22	Autoquip '78 Exhibition	Wembley Conf. Centre
r. 20—28	Metalworking '78 Exhibition	Nat. Exbn. Centre, B'ham.
r. 24—28	Int. Fire Security Exhibition & Conference	Olympia
r. 24—28	Subcontracting Industries Exhibition	Nat. Exbn. Centre, B'ham.

OVERSEAS TRADE FAIRS AND EXHIBITIONS

r. 31—Apr. 5...	Int. Woodworking Machinery & Wood Ind. Exbn.	Paris
r. 31—Apr. 5...	Supplies & Materials for the Furniture Ind. Exbn.	Paris
r. 2—6	International Fashion Week	Munich
r. 3—8	Electronic Components Exhibition	Paris
r. 4—7	Total Transport '78 Exhibition	Rotterdam
r. 11—15	Plastics & Rubber Technology Exhibition	Tokyo
r. 11—16	Seoul Trade Fair	Seoul
r. 11—16	Building, Heating, Plumbing & Air Cond. Exbn.	Helsinki
r. 14—23	International Trade Fair	Milan
r. 15—24	Swiss Industries Fair	Basle
r. 17—23	International Spring Fair	Zagreb
r. 18—21	International Shipcare 78	Hamburg
r. 29—May 15	International Paris Trade Fair	Paris

BUSINESS AND MANAGEMENT CONFERENCES

r. 29	London Chamber of Commerce & Industry: Practical Agency Problems in the Gulf States, Saudi Arabia and Iran	69, Cannon St., E.C.4
r. 30	British Frozen Food Federation Export Seminar	World Trade Centre, E.1
r. 31	Management Training Consultants: Current Trends in Management & Supervisory Training	Leicester
r. 31—Apr. 3...	Institute of Personnel Management: The Impact of Government on Company Pay Policies & Industrial Relations	Oxford
r. 4	European Study Conferences: Fringe Benefits on the Shop Floor	Hilton Hotel, W.1
r. 5	Hawkins Publishers: Cash and Capital	Europa Hotel, W.1
r. 6—7	Advanced Management Research (AMR): Business Strategies in the Middle East	Grosvenor House, W.1
r. 6—7	Brunel University: Identifying Training Needs for Managers and Professionals	Uxbridge
r. 6—7	Institution of Chemical Engineers: Production Congress 78	Birmingham
r. 6—7	Industrial & Commercial Techniques: Developing Export Sales	Penta Hotel, S.W.7
r. 10—11	Financial Times: Business and the European Community Directives	Grosvenor House, W.1
r. 10—12	Brintex: Energy Utilisation and Conservation in Industry	Royal Lancaster Hotel, W.2
r. 10—14	P-E Consulting Group: Application of Production & Inventory Control	Egham, Surrey
r. 10—14	Kepner Tregoe: Decision Making for Senior Management	Bournemouth
r. 11—12	Anthony Skinner: New Inspection Techniques and Methods	Café Royal, W.1
r. 12—14	Seminar Services: International Tax Planning	Zurich
r. 13	Export Group for the Constructional Industries: Management Contracting Overseas	Cavendish Conf. Centre, W.1
r. 13	British Institute of Management (N.E. Region): Interpreting Accounts to the Non-Financial Manager	Harrogate
r. 16—20	Retail Consortium: International Conference of Retailers	Grosvenor House Hotel, W.1
r. 17—21	London Chamber of Commerce and Industry: Understanding the Arab World	69, Cannon St., E.C.4
r. 18—19	British Association for Commercial and Industrial Education: Management Development	Leicester
r. 19	Henley Centre for Forecasting: The Budget	Carlton Tower Hotel, S.W.1
r. 19	London Chamber of Commerce and Industry: Agri-Business in the Middle East & North Africa	69, Cannon St., E.C.4
r. 20	McGraw-Hill: Managerial Work—Its Demands and Choices	Royal Garden Hotel, W.8
r. 20—21	Legal Studies & Services: Claims Against Carriers—Procedures and Remedies	Hilton Hotel, W.1
r. 21	Leeds University: The New United Kingdom Patent Law	Leeds
r. 23—28	Inbucon: Improving Industrial Relations	Selsdon, Surrey
r. 26	British Overseas Trade Board: Exporting to Australia	Inn on the Park Hotel, W.1
r. 27	London Business School: Leases and how to value them	Sussex Place, W.1
r. 27—28	Oyez: Advertising Association Conference	The Brighton Centre

U.S. Markets

Gold and silver up; cocoa firm

New York, March 23.

AFTER initial weakness Gold rallied to close higher on speculative short covering prior to the holiday week-end. Silver closed higher in sympathy with Gold. Cocoa closed firm on speculative buying owing to heavy rains in Brazil. Sugar closed higher on technical speculative buying and week-end evening up, Bache reports.

Cocoa—160.70 (157.23), July 154.25 (151.55), Sept. 150.25, Dec. 144.35, March 140.85, May 139.10, July 137.40. Sales: 941 lots.

Coffee—"C" Contract: March 180.00 (177.80), May 157.52-158.49 (156.04), July 139.00-14.050, Sept. 132.00-133.00, Dec. 120.50-123.00, May 113.50-117.00, July 115.50-118.00. Sales, 967.

Copper—March 59.20 (58.80), April 59.40 (59.00), May 59.90, July 60.90, Sept. 61.90, Dec. 63.40, Jan. 63.90, March 64.90, May 65.90, July 66.90, Sept. 67.90, Dec. 69.40. Jan. 69.90. Sales: 4,900 lots.

Cotton—No. 2: May 57.00-57.10 (58.32), July 58.35-58.45 (59.37), Oct. 60.10, Dec. 60.70-60.78, March 61.91-62.05, May 61.45-61.65, July 62.80-63.20. Sales, 795,000 bales.

*Gold—March 180.60 (180.10), April 180.90 (180.30), May 182.10, June 183.40, Aug. 186.00, Oct 188.70, Dec. 191.40, Feb. 194.10, April 197.10, June 200.10, Aug. 203.10, Oct. 206.10, Dec. 209.10, Feb. unquoted. Sales, 8,500 lots.

†Lard—Chicago loose 24.00 (24.50), New York prime steam 25.50 traded (26.00 traded).

‡Maize—May 251-251½ (248½), July 235-253½ (250/), Sept. 254, Dec. 256-256/, March 263½, May 266-266½.

§Platinum—April 217.70-218.00 (219.90); July 221.00-223.00 (223.90); Oct. 224.80-230; Jan. 230.10-230.30; April 234.40-234.60; July 238.40-234.60. Sales: 940 lots.

¶Silver—March 529.50 (525.80), April 529.90 (526.30), May 533.50, July 541.20, Sept. 549.00, Dec. 561.30, Jan. 565.50, March 573.80, May 582.20, July 590.60, Sept 599.10, Dec. 611.60, Jan. 615.80. Sales. 9,500.

Soyabean Oil—May 26.65-26.70 (26.65), July 26.05-26.10 (25.47), Aug. 25.30-25.45, Sept. 24.30-24.24, Oct. 22.70, Dec. 22.00-21.95, Jan. 21.76, March 21.65, May 21.55.

Soyabean Meal — May 188.30-156.50 (185.50), July 189.00-189.30 (187.80), Aug. 188.50, Sept. 178.00, Oct. 167.00, Dec. 168.00-167.00, Jan. 166.50-169.00, March 172.00.

Soyabeans—May 715-713 (709½); July 717-719 (713½); Aug. 707-708; Sept. 648-649; Nov. 617-619; Jan. 623-624; March 631-632; May 627-628.

Sugar—No. 11: May 7.99-8.02; July 8.33-8.340; Sept. 8.53-8.55; Oct. 8.68-8.69; Jan. 8.70-8.90; March 9.46; May 9.70; July 9.95. Sales: 4,437 lots.

Tin—503.00-512.00 asked (510.00 asked)

**Wheat—May 294½-295 (295), July 296½-296½ (296½), Sept. 302½-303, Dec. 308½-309, March 315½, May 316½.

WINNIPEG, March 22. ††Rye—May 115.00 bid (111.00), July 110.00 asked (same), Oct. 109.10 asked, Nov. 107.80 nom., Dec. 105.50 nom.

††Oats—May 78.00 (78.40 bid), July 75.70 (76.30 asked), Oct. 74.70 asked, Dec. 74.60 nom.

‡‡Barley—May 78.40 (79.30 bid), July 78.40 (78.90 bid), Oct. 77.80 asked, Dec. 76.90 nom.

§§Flaxseed—May 235.50 (235.50 bid), July 235.30 (235.80 asked), Oct. 232.90 asked, Nov. 232.50, Dec. 231.50 nom.

¶¶Wheat—SCWRS 13.5 per cent. protein content cif St. Lawrence 158.19 (157.91).

All cents per pound ex-warehouse unless otherwise stated. *$s per troy ounces—100 ounce lots † Chicago loose $s per 100 lbs—Dept. of Ag. prices previous day. Prime Steam f.o.b. NY bulk tank cars. ‡ Cents per 56 lb bushel ex-warehouse, 5,000 bushel lots. § $s per troy ounce for 50 ounce units of 99.9 per cent. purity delivered NY. ¶ Cents per troy ounce ex-warehouse. || New "B" contract in $s a short ton for bulk lots of 100 short tons delivered f.o.b. cars Chicago, Toledo, St. Louis and Alton. ** Cents per 60 lb bushel in store. †† Cents per 24 lb bushel. ‡‡ Cents per 48 lb bushel ex-warehouse. §§ Cents per 56 lb bushel ex-warehouse. 1,000 bushel lots. ¶¶ $C per tonne.

WALL STREET + OVERSEAS MARKETS

Down early on credit fears

BY OUR WALL STREET CORRESPONDENT

NEW YORK, March 27.

STOCK PRICES were lower in sluggish trading at noon. The weakness was attributed to concern that the Federal Reserve might tighten monetary policy and to fears that the February consumer price index figures, due to be released on Tuesday, will not make good reading. In January the new Urban Consumer Price Index rose 0.8 per cent.

The Dow Jones Industrial Index was 1.91 lower at noon at 754.59. The New York Stock Exchange Index gave up 0.20 to 49.66. Declines led advances by more than three to two in a volume of about 8m. shares. Transport, Utilities and Stocks also pointed lower, although the decline had been reduced compared with mid-morning trading.

IBM lost $1¾ to $237¾, Merck fell $1¾ to $47¾, Inland Container declined $1¼ to $16¼, Ferro surrendered $1¾ to $36¼, National Presto slipped $1¼ to $22 and Alaska Interstate shed $1 to $20¾.

Cole National, trading after hiving off Cole Consumer Products Inc., gave up $2⅜ to $10⅝ following a delayed opening.

Superior Oil fell $6 to $250. The company late Thursday reported 1977 earnings of $15.63 per share against $12.84 in 1976.

Farah Manufacturing advanced $⅜ to $4. The company announced receipt of a $15m. short-term loan.

Chicago Milwaukee tacked on 50 cents to $7⅝. The company said the United Transportation Union agreed to a cut in manning.

On the American Stock Exchange, prices were mixed in moderate trading. The Amex Index slipped 0.06 to 127.95, but advances led declines 210 to 194. Volume was 1,053,000 shares.

International Systems and Controls declined $1¼ to $19¼, while Shenandoah Oil rose $1⅛ to $30 and Sundance Oil put on $1⅜ to $29.

Closing prices and market reports were not available for this edition.

OTHER MARKETS

Canada easier

Canadian stock prices remained easier in light trading, with the Toronto composite index off 1.4 at 1,044.9. Nine indices fell an the Management Companies and Real Estate groups posted double-digit declines. Gains among the four rising groups were small. They included Metals and Mining ahead 0.4 at 834.3.

Nu-West "A" at $14¼ and BM-RT Realtyq at $15 shed ¼, while BBC Realty at $15¼, Brascan "A" at $16¼ and National Drug at $9¼ surrendered 25 cents.

Multiple Access climbed 35 cents to $4.20. A private company is seeking a minority interest in Multiple if control of the company is acquired by Baton Broadcasting which has offered $6 a share for 55 per cent. of Multiple's equity.

Jannock "B" gained 75 cents to $13¼, Central and Eastern Trust "A" rose ⅜ to $14¼ and Harlequin added 25 cents to $12¼. Noon volume totalled 868,209 shares against 975,938 shares last Thursday.

In Montreal the market remained weaker in quiet noon trading. The Banks Index lost more than a point while other major indices were fractionally lower.

Asbestos Corp. dropped ⅜ to $35⅜ while Toronto-Dominion at $17¼ and Brascan "A" at $16⅜ fell ⅛. Bank of Nova Scotia at $19¼, Gulf Oil Canada at $27 and Moore Corp. at $33⅜ lost 25 cents while Macmillan Bloedel at $17⅜, Noreen Energy at $15⅜, Inco "A" at $16⅜, Massey-Ferguson at $10 and Royal Royal at $28¼ slipped ⅛. Noon volume totalled 64,335 shares against 179,366 last Thursday.

TOKYO — Share prices rose sharply in aotice trading, led by Government investment-related issues and speculative shares. The Tokyo Stock Exchange index was 401.39, up 2.33 and volume was 370m. shares.

Constructions, and Real Estates gained substntially in a rush of buying orders from institutional investors, reflecting the easier credit supplies helped by the lower bank rates.

Some Electricals, including Sony and Pioneer Electronic, Cars and Cameras advanced. Petroleums including Nippon Oil gained as well. Toyo Kogyu, Columbia Japan and other Speculative were higher, while Pharmaceuticals and foodstuffs were preferred.

COMMODITY INDICES

FINANCIAL TIMES

Mar. 23	Mar. 22	Month ago	Year ago
255.34	254.26	225.51	283.66

(Base: July 1, 1952=100)

REUTER'S

Mar. 23	Mar. 22	Month ago	Year ago
1416.1	1401.7	1382.9	1744.4

(Base: September 18, 1931=100)

DOW JONES

Dow Jones	Mar. 23	Mar. 22	Month ago	Year ago
Spot	360.77	358.45	347.64	437.66
Futures	344.94	355.53	329.75	424.80

(Average 1924-25-26=100)

MOODY'S

Moody's	Mar. 23	Mar. 22	Month ago	Year ago
Staple Commdty	906.4	902.7	8 6.0	62.8

(December 31, 1931=100)

CP Investments may not maintain profits

By Our Montreal Correspondent

MONTREAL March 27.

STRENGTH IN oil and gas, higher activity in steel, a favourable real estate outlook and growing shipments of forest products, in spite of excess pulp, will help Canadian Pacific Investments this year.

"Difficult adjustments and some problems" are expected though after the phasing-out of controls, the non-rail investment arm of the Canadian Pacific group says in its annual report.

"These have to be faced and the longer the delay the more difficult the problems are likely to become."

High world inventories of pulp, zinc, coking coal and some farm products would adversely affect 1978 operations. Most of the company's subsidiaries would also face labour contract negotiations beyond the anti-inflation control period.

The company might therefore "be hard pressed to match 1977 earnings in 1978."

Last year the company earned $C213.2m. ($C3.55 a share) compared with $C140.2m. ($C2.36) in 1976.

Canadian Pacific Investments is optimistic about the future, though. Diversification would be pursued further and several subsidiaries had completed big expansion programmes and would gain from future increases in demand.

Canadian newsprint workers seek rise

BY ROBERT GIBBENS

THE CANADIAN Paperworkers' Union, which represents around 30,000 workers in eastern Canada, has called for wage increases of between 15 and 17 per cent. over a two-year contract, plus fringe benefit improvements, in preliminary bargaining with Canadian International Paper and Abitibi Paper—two of the largest newsprint producers in the country.

What happens in the negotiations with these two companies will set a pattern for the pulp and paper industry in eastern Canada, and have a strong impact on the price of newsprint, other paper products and indirectly on lumber.

The union, which broke off its international union ties three years ago and whose 40 per cent. pay claim in 1975 helped to persuade the federal government that price and wage controls were necessary, also wants improvements in pensions including indexation, parity in wages and conditions with the West Coast industry (where pay is the highest traditionally) by 1979.

Current contracts run out April 30 and the new contract will not be subject to a guideline of 6 per cent. for 1978.

Including fringe benefits, it is believed the total package sought by the union would amount to an increase of 25-30 per cent. over two years.

Both companies sell the majority of their newsprint to the U.S. However, the increases sought would amount to nearly 50 per cent. more than recent wage increases granted by the industry in the U.S.

Quebec to raise spending by 8½%

By Our Own Correspondent

MONTREAL, March 27.

THE PARTI Quebecois Government plans to raise its spending by about 8½ per cent. in 1978-79 to $12.8bn., and will put the accent on job creation. The province's unemployment rate is now about 11 per cent.

However, the Canadian inflation rate for 1978 is expected to be nearly 8 per cent. so the Government in effect is holding the line tightly. This autumn it has to start renegotiating contracts with nearly 500,000 workers in the public sector.

The Government says it is planning to freeze the number of Civil Service jobs. Education spending, a large part of the Budget, will be up less than 4 per cent., against 10 per cent. last year, because of a declining number of students.

OVERSEAS MARKETS

EUROBONDS

BY MARY CAMPBELL

Short-term dollar issues welcomed

THE BASIS for Eurobond market activity was clarified considerably last week as four major new dollar issues started trading. For the first time for several months the response of the secondary market to dollar new issues was uncompromisingly favourable—though only at the short end of the market and for top quality borrowers.

The two issues which tested this response were for Norway and Australia. Both were increased in size, the Norwegian issue by $25m. and the Australian issue by $50m. The combined total value of these issues was $475m., a substantial amount by any standards. Yet the bonds seem to have been placed outside the selling group, both sank to discounts from their offering prices in after-market trading, but not to the limit of their selling group discount. For issues of this size, where loose bonds in significant quantities are always expected in after-market trading, this indicates substantial demand from investors.

At the same time, the message from investors was equally clear at the longer end of the market: the ECSC's two tranche issue, maturing 15 and 20 years hence and the Macmillan Bloedel 15-year offering, both sank sharply in secondary market trading, to prices equivalent to the selling group discount or beyond.

The reported response to Canada's three tranche issue in New York, priced on Tuesday, adds a further dimension to this picture. It seems that significant proportions of the two shorter term tranches were placed in Europe. While the international dollar investor turned up his nose at the long term tranche, there was good demand for this in the U.S. from institutions like insurance companies who favour long-term investments to match long-term liabilities.

One message therefore is clear: long term money is not forthcoming outside the U.S., but bonds of up to five or possibly even seven years in maturity can be placed.

What is not clear is whether this demand for short maturity issues applies only to top quality names: some analysts were arguing last week that the demand for the Australian, Norwegian and Canadian short term issues came particularly from central banks and other investors who put a premium on quality, and that other borrowers would not get the same reception even if they offered higher yields.

A further factor which suggests that issue managers would be wise to tread warily in seeking to capitalise on the success of these issues is the deteriorating outlook for U.S. interest rates. An increasing number of analysts are now arguing that the second quarter may see significant rises in rates—and the new chairman of the Federal Reserve Board, William Miller, has given notice to the markets to this effect, particularly in the context of accelerating inflation.

The D-mark sector was depressed last week, not least because of developments in the primary market.

The performance of the Electrobraz issue in the secondary market was surprisingly bad considering the advantages normally accruing to Brazilian D-Mark issues from their favourable tax treatment for German investors.

One key to the current situation is that there have just been too many issues by Central and South American borrowers recently and demand for such bonds has been more than saturated. The immediate factor was the 6 per cent. indicated coupon on the DM200m. issue for the United Mexican states. This was generally acknowledged to be completely out of line with market conditions, at least a quarter of a point too low.

Some analysts suggested that the terms of this issue had a direct effect on the par price set for the Electrobraz offering—that this would have been a discount, but for Mexico's 6 per cent.

The effects of the United Mexican States' mispricing are not yet fully clear. Exactly what they will mean for a placement for another Mexican borrower, Nacional Financiera, scheduled for announcement later this week was not clear last Thursday. Also thrown into question by current market conditions is an issue for Brazil's Light Servisios, which had been expected soon.

The one favourable development last week was that the issue for Caisse Nationale des Telecommunications, which had been mooted as one of several additions for this month, now looks very unlikely to materialise in March, if at all in the foreseeable future.

In the sterling sector, prices fell sharply on Thursday afternoon amid rumours of another impending new issue. Although none was announced over the week-end, an issue for Whitbread, with Kleinwort Benson as lead manager, is expected to-night.

In the yen sector, haggling over the yield on the Y15bn. Malaysian issue delayed the signing of the agreement, originally scheduled for last Thursday. The point in question was the extent to which the cut in interest rates in Japan should be fed through into the terms of this particular issue. It seems that issue managers are trying to take advantage of the general fall in rates to increase the differentials between the yields paid by borrowers of different quality.

BONDTRADE INDEX AND YIELD

	March 24		March 17		1978 High		1978 Low	
Medium term ...	99.66	7.83	99.62	7.85	99.81	(13/2)	99.15	(16/2)
Long term ...	93.81	8.37	93.75	8.38	93.84	(2/1)	93.03	(13/1)

EUROBOND TURNOVER
(nominal value in $m.)

	U.S. dollar bonds last week	previous week	Other bonds last week	previous week
Euroclear	1,051.0	1,069.1	493.2	448.6
Cedel	263.3	418.3	272.7	380.7

CURRENT INTERNATIONAL BOND ISSUES

Borrowers	Amount m.	Maturity	Av. life years	Coupon %	Price	Lead manager	Offer yield %
U.S. DOLLARS							
‡ECSC	25	1993	11.43	9	100	Paribas	9.00
‡ECSC	25	1998	13.88	9¼	99½	Paribas	9.31
‡†STET	50	1985	5	8	100	Kredietbank Lux., Orion	8.16
‡†Costa Rica	20	1985	5½	8½	100	BNP	8.63
‡†Banco Union	25	1983	5	7¾	100	Morgan Stanley Int.	7.90
‡MacMillan Bloedel	50	1993	11½	9¼	99¼	Morgan Stanley Int.	9.34
‡††Canada	250	1983	5	8	100.20	Morgan Stanley	8.10
‡††Canada	250	1985	7½	8.20	100	Morgan Stanley	8.35
‡††Canada	250	1998	20	8¾	99¾	Morgan Stanley	8.80
‡Australia	350	1982	4	8	100	Deutsche	8.00
††Norges Kommunalbank (g'teed Norway)	75	1998	13	*	*	Smith Barney	*
D-MARKS							
‡Eletrobraz	150	1986	8	6¾	100	Dresdner	6.75
‡**ISCOR	30	1982	3½	7¾	100	Bayerische Vereinsbank	7.75
Mexico	200	1985	7	6	*	Deutsche Bank	*
‡**Akzo	50	1984	6	6	99½	Reutsche	6.10
‡**Thailand	50	1983	5	6¼	99½	Dresdner	6.46
Rautaruuki (g'teed Finland)	50	1988	8	5½	*	Commerzbank	*
Trondheim	35	1988	9	5¾	100	Dresdner	5.75
STERLING							
Gestetner	10	1988	8.6	10½	*	N. M. Rothschild, Morgan Grenfell	*
SWISS FRANCS							
‡Cia Vale do Rio Doce	50	1990	n.a.	4½	99	SBC	4.85
Europe Resttlmt. Fund	65	1993	n.a.	4½	100½	Banca del Gottardo	4.45
YEN							
Malaysia							
UNITS OF ACCOUNT							
Ind. Bank of Finland (g'teed Finland)	15	1993	10½	7	*	Kredietbank Lux.	*
KUWAITI DINARS							
‡Sonatrach (g'teed BEA)	12	1985/90	¶	8½	100	KIIC, Fin. Group of Kuwait	8.50

* Not yet priced ‡ Final terms ** Placement † Floating rate note ‖ Minimum
†† Registered with U.S. Securities and Exchange Commission ¶ Purchase Fund
Note: Yields are calculated on AIBD basis.

Indices

NEW YORK -DOW JONES

	Mar. 23	Mar. 22	Mar. 21	Mar. 20	Mar. 17	Mar. 16	1977-78 High	1977-78 Low	Since compilat'n High	Since compilat'n Low
Industrials...	756.50	757.54	762.82	775.82	768.71	762.82	999.75 (3/1/77)	742.12 (28/2/78)	1051.70 (11/1/73)	41.22 (2/7/32)
H'meB'nds*	90.04	89.88	89.88	89.92	89.72	89.75	95.87 (7/9)	89.55 (25/1/78)	—	—
Transport....	207.88	207.34	207.85	209.79	207.29	205.54	246.64 (12/5)	199.51 (9/3/78)	279.88 (7/2/69)	13.23 (8/7/32)
Utilities......	105.65	105.72	106.06	106.60	106.19	106.46	118.67 (22/2/77)	102.54 (22/2/78)	163.32 (20/4/69)	10.58 (28/4/42)
Trading vol. 000's	21,290	21,950	24,410	26,360	28,470	25,400	—	—	—	—

* Basis of index changed from August 24

	Mar. 17	Mar. 10	Mar. 3	Year ago (approx.)
Ind. div. yield %	6.06	6.14	6.22	4.41

STANDARD AND POORS

	Mar. 23	Mar. 22	Mar. 21	Mar. 20	Mar. 17	Mar. 16	1977-78 High	1977-78 Low	Since Compilat'n High	Since Compilat'n Low
‡Industrials	98.18	98.34	98.72	99.93	99.26	98.46	118.92 (3/1/77)	95.52 (6/3/78)	134.64 (11/1/73)	3.52 (30/6/32)
‡Composite	88.36	88.47	88.79	90.82	90.20	89.51	107.00 (3/1/77)	86.90 (6/3/78)	125.85 (11/1/73)	4.40 (1/6/32)

	Mar. 22	March 15	Mar. 8	Year ago (approx.)
Ind. div. yield %	5.45	5.47	5.55	4.18
Ind. P/E Ratio	8.48	8.43	8.46	10.46
Long Govt. Bond yield	8.15	8.16	8.20	7.71

N.Y.S.E. ALL COMMON

Mar. 23	Mar. 22	Mar. 21	Mar. 20	1977/78 High	1977/78 Low
49.86	49.89	50.05	50.57	57.07 (4/1/77)	48.37 (6/3/78)

Rises and Falls

	Mar. 23	Mar. 22	Mar. 21
Issues traded	1,826	1,822	1,864
Rises	702	541	479
Falls	614	795	939
Unchanged	510	486	446
New Highs	—	23	39
New Lows	—	20	19

		Mar. 23	Mar. 22	Mar. 21	Mar. 20	1977-78 High	1977-78 Low
MONTREAL	Industrial	171.28	170.72	171.04	172.11	186.47 (17/3)	158.02 (25/10)
	Combined	179.05	178.68	178.94	179.75	187.96 (19/1/77)	165.80 (25/10)
TORONTO	Composite	1046.3	1044.5	1045.5	1049.8	1067.4 (19/7)	981.0 (26/10)
JOHANNESBURG	Gold	202.5	201.3	196.0	195.1	218.7 (1/2/78)	139.4 (24/5)
	Industrials	197.9	197.7	197.6	198.8	214.4 (4/1/78)	169.1 (22/4)

	Mar. 23	Previous	1977-78 High	1977-78 Low
Australia(¶)	—	446.56	479.43 (3/1/78)	418.86 (16/2/77)
Belgium (‖)	94.12	93.77	99.12 (10/1/77)	90.43 (12/1/78)
(Denmark**)	—	95.30	107.92 (9/6)	94.00 (6/2/78)
France (††)	58.8	59.9	61.8 (20/3/78)	43.6 (10/6)
Germany(‡‡)	795.2	794.0	815.5 (17/11)	712.5 (10/3/77)
Holland (§§)	77.9	77.7	85.2 (4/5)	75.6 (29/9)
Hong Kong (¶¶)	438.53	435.27	438.53 (23/3/78)	383.44 (13/1/78)
Italy (‖‖)	61.33	61.68*	75.71 (6/1/77)	54.90 (22/12)
Japan (a)	397.88	399.06*	399.86 (16/3/78)	350.49 (24/11)
Singapore (b)	281.02	280.97*	282.30 (22/3/78)	242.28 (3/5)
Spain (d)	—	88.51	100.00 (30/12)	87.c8 (17/3/78)
Sweden (e)	362.30	361.92	416.62 (22/3)	326.62 (24/11)
Switzerl'd (f)	293.1	293.1	323.7 (14/2/78)	280.6 (14/3/77)

Indices and base dates (all base values 100 except NYSE All Common — 50 Standards and Poors — 10 and Toronto 300-1,000, the last named based on 1975). † Excluding bonds. ‡ 400 Industrials. § 400 Inds., 40 Utilities, 40 Finance and 20 Transport. (¶) Sydney All Ord. (‖) Belgian SE 31/12/63. (**) Copenhagen SE 1/1/73. (††) Paris Bourse 1961. (‡‡) Commerzbank Dec., 1953. (§§) Amsterdam Industrial 1970. (¶¶) Hang Seng Bank 31/7/64. (‖‖) Milan 2/1/73. (a) Tokyo New SE 4/1/68. (b) Straits Times 1966. (c) Close. (d) Madrid SE 30/12/77—high and low for 1978 only. (e) Stockholm Industrial 1/1/58. (f) Swiss Bank Corp. (u) Unavailable. (x) Indices for March 27.

Apart from North America, nearly all overseas stock markets remained closed yesterday following the Easter holiday. There was no trading in Australia, Austria, Belgium, Denmark, France, Finland, Hong Kong, Italy, Luxembourg, Malaysia, the Netherlands, New Zealand, Norway, Switzerland, Sweden, South Africa and West Germany. United Kingdom markets also remained closed.

NOTES: Overseas prices shown below exclude $ premium. Belgian dividends are after withholding tax.
◆ DM50 denom. unless otherwise stated. ♥ Ptas.500 denom. unless otherwise stated. ♣ Kr.100 denom. unless otherwise stated. Φ Frs.500 denom. and Bearer shares unless otherwise stated. ¶ Yen 50 denom. unless otherwise stated. $ Price at time of suspension. a Florins. b Schillings. c Cents. d Dividend after pending rights and/or scrip issue. e Per share. f Francs. g Gross. div. %. h Assumed dividend after scrip and/or rights issue. k After local taxes. m % tax free. n Francs: including Unilac div. p Nom. q Share split. s Div. and yield exclude special payment. t Indicated div. u Unofficial trading. v Minority holders only. y Merger pending. * Asked. † Bid. § Traded. ‡ Seller. z Assumed. xr Ex rights. xd Ex dividend. xc Ex scrip issue. xa Ex all. Δ Interim since increased.

Bus company goes public

BY H. F. LEE

SINGAPORE, March 27.

SINGAPORE'S main bus service operator, Singapore Bus Service (1978) Ltd., will soon be offering its shares for public subscription.

A joint announcement by the ministries of Communications and Finance, whose officials are currently managing the company, stated that all the assets and liabilities of the existing Singapore Bus Service Ltd. (SBS Ltd.) will be transferred to the newly incorporated Singapore Bus Service (1978) in exchange for 11m. $S1 par shares in the new company.

A further 20m. new shares in SBS (1978) will be offered to the public at par in one and a-half months' time.

SBS Ltd., which operates the bulk of regular bus services in Singapore is owned by four private bus companies in Singapore which were merged into SBS Ltd. during the reorganisation of bus operations in Singapore in 1972.

The Government sent in its officials in 1974 to help manage the company.

The announcement also stated that the Government intends to ensure through the bus service licensing authority that SBS (1978) is managed well enough to be able to pay not less than 7½ per cent. dividend per year to shareholders. Last year the company reported after-tax profits of S$4.3m. ($US1.9m.), against S$2.1m. in the previous year.

An unusual feature of the share offer is that members of the public will be allowed for the first time in Singapore to use their compulsory central provident fund contributions to purchase these shares.

All the shares of SBS (1978) will be listed on the Stock Exchange of Singapore.

HONG KONG

Hong Kong$	Mar. 23	Mar. 17
Govt. Loan 1968	—	—
Amalgamated Rubber	1.63	1.51
Bowaters	—	—
China Light & Power	21.60	20.40
City Hotels	37.00	35.50
Cosmopolitan Properties	1.66	1.64
Cross Harbour Tunnel	11.20xd	—
E. Asia Navigation	3.725	3.775
Hong Kong Aircraft	68.00	—
Hong Kong Electric	5.95	5.80
Hong Kong Kowloon Wharf	16.13	15.90
Hong Kong Land Invest.	—	6.75
Hong Kong Shanghai Bank	15.80xall	17.20
Hong Kong Shanghai Hotels	13.10	13.20
Hutchison Whampoa	4.50	3.975
Inter. Pacific Securities	†9.50	9.25
Jardine Matheson	13.20	12.50
Jardine Secs	5.90	5.75
Rubber	1.94	1.85
Sime Darby	7.30	†7.00
Southn. Pac. Prop.	0.48	—
Southern Textile	—	—
Swire Pacific A	6.30	†1.15
Textile Alliance	—	—
TextileCorp of Hong Kong	—	—
Wheelock Marden	2.25	2.20
Wheelock Maritime	†3.35	3.20
Winsor Industrial	2.125	2.05
Wynror	—	—

Vol. Cr. 132.3m. Shares 53m.
Source: Rio de Janeiro SE.

OVERSEAS SHARE INFORMATION

Inv. $ Prem. at $2.60 to £—99¾% (98¾%)
Effective rate at (1.8735) 43¾% (44¾%)

NEW YORK

Stock	Mar. 23	Mar. 22
Abbott Labs	55⅞	55⅞
Corning Glass	46¾	46¾
CPC Int'n'tional	45⅞	45⅞
Crane	28	27¾
Johns Manville	29¼	30⅛
Johnson Johnson	68¼	68¼
Johnson Controls	27⅛	27⅛
Revlon	38½	39
Reynolds Metals	28½	28⅞
Reynolds R. J.	57⅜	57
Woolworth	18⅜	18⅝
Wyly	2⅞	0¾
Xerox	42⅜	42⅜
[illegible]	[illegible]	[illegible]

CANADA

[illegible]

GERMANY ◆

Mar. 23	Price Dm.	+ or —	Div. %	Yld. %
AEG	90.2	+1.2	—	—
Allianz Versich	485	+1	18	1.9
BMW	224	—0.5	20	4.4
BASF	140	+0.5	17	6.1
Bayer	140	+0.6	16	—
Bayer Hypo	280	—2	20	3.6
Bayer Vereinsbk	314	—0.5	20	3.2
Ciba Int. Ned. wrt	176	—5	—	—
Commerzbank	231	+1	18	3.9
Conti Gummi	76.5	+0.3	—	—
Daimler Benz	307.5	+1	19	3.1
Degussa	272	+2	17	3.1
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

TOKYO ¶

Mar. 23	Prices Yen	+ or —	Div. %	Yld. %
Asahi Glass	321	+2	14	2.4
Canon	478	—4	12	1.6
Casio	580	—7	25	2.2
Chinon	366	—6	20	2.5
Dai Nippon Print	623		18	1.7
Fuji Photo	555		15	1.4
Hitachi	221	+2	12	2.7
Honda Motors	563	—4	18	1.6
House Food	1,180	—20	35	1.5
C. Itoh	224	+5	12	2.7
Ito-Yokado	1,210	—10	30	1.2
Jacca	720	+32	13	0.9
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

AUSTRALIA

Mar. 23	Aust. $	+ or —
ACMIL (25 cents)	†0.60	—0.06
Acrow Australia	†0.85	.....
Allied Mnt-Trig. Indus $1	†2.16	.....
Ampol Exploration	†1.28	.....
Ampol Petroleum	†0.73	+0.01
Assoc. Minerals	†0.72	+0.02
Assoc. Pulp Paper $1	†1.12	+0.02
Assoc. Con. Industries	†1.62	.....
Aust. Foundation Invest	†0.85	—0.05
A.N.I.	†1.35	—0.01
Audimco	†0.36	+0.02
[illegible]	[illegible]	[illegible]

OSLO

Mar. 22	Price Kroner	+ or —	Div. %	Yld. %
Bergen Bank	90	.....	9	10.0
Borregaard	56.0	+0.5	4	7.5
Creditbank	106.5xd	+1.0	11	9.6
Kosmos	272.50	—3.75	20	7.3
Kreditkassen	104	.....	11	10.6
Norsk Hydrokr. $0	180	+1	12	6.3
Storebrand	85.25	+0.25	9	10.6

BRAZIL

[illegible]

AMSTERDAM

[illegible]

BRUSSELS/LUXEMBOURG

[illegible]

PARIS

[illegible]

SWITZERLAND ◆

[illegible]

COPENHAGEN ♣

[illegible]

MILAN

[illegible]

VIENNA

[illegible]

STOCKHOLM

[illegible]

JOHANNESBURG

MINES

[illegible]

INDUSTRIALS

[illegible]

SPAIN ♥

[illegible]

INSURANCE, PROPERTY, BONDS

AUTHORISED UNIT TRUSTS

OFFSHORE AND OVERSEAS FUNDS

ham Life Ass. Soc. Ltd.

ce of Wales Rd., B'mouth. 0202 767655

ash Fund	95.4	100.4	..	—
quity Fund	100.0	105.5	..	—
ilt Fund	114.7	120.7	..	—
ntl. Fund	101.2	106.5		—
pty Fund	95.5	100.5		—

rth & Sec. Life Ass. Soc. Ltd.♥

Bank, Bray-on-Thames, Berks. Tel 34284

ole Finance		£1,050	..	—
ank Secs.		56.43	..	—
ank Sec. Acc.	116.2	119.3	..	—
Super Fd.		£7.9693	..	—

NPI Pensions Management Ltd.

48, Gracechurch St., EC3P 3HH. 01-623 4200

Managed Fund ... 141.1 147.0 .. —

Prices March 1. Next dealing April 3.

New Zealand Ins. Co. (U.K.) Ltd.♥

Maitland House, Southend SS1 2JS 0702 62955

Kiwi Key Inv. Plan	134.6	138.8		—
Small Co's Fd.	99.2	104.4	+4.4	—
Technology Fd.	98.9	104.1	+4.1	—
Extra Inc. Fd.	96.7	101.8	−2.0	—
American Fd.	95.6	100.6	+2.9	—
Far East Fd.	95.0	100.0		—
Gilt Edged Fd.	102.1	107.5	+7.5	—
Con. Deposit Fd.	95.3	100.3	+0.2	—

FINANCIAL TIMES STOCK INDICES

—	Mar. 23	Mar. 22	Mar. 21	Mar. 20	Mar. 17	Mar. 16	A year ago
ernment Secs.	75.27	75.44	75.36	75.57	75.65	76.02	9.49
d Interest	78.58	78.34	78.23	78.20	78.20	78.38	68.56
ustrial Ordinary	460.5	462.6	466.5	458.6	457.2	458.3	421.4
Mines	156.8	152.5	141.5	141.9	149.6	155.5	134.5
Div. Yield	5.86	5.83	5.79	5.89	5.91	5.90	5.31
ings Yld% (full)	17.29	17.23	17.02	17.31	17.36	17.36	15.80
Ratio (net) (*)	8.12	8.15	8.24	8.10	8.07	8.08	8.83
ings marked	5,462	5,826	5,273	4,098	4,938	4,824	5,959
ity turnover £m.	—	85.19	79.56	65.96	65.82	68.01	95.25
ity bargains total	—	14,927	18,559	14,076	12,996	14,466	18,953

10 a.m. 462.5. 11 a.m. 461.6. Noon 459.7. 1 p.m. 460.2.
2 p.m. 459.2. 3 p.m. 460.3.
Latest Index 01-246 8026.

*Based on 52 per cent. corporation tax. †Nil=8.07.
Basis 100 Govt. Secs. 15-10-26. Fixed Int. 1928. Ind. Ord. 1/7/35. Gold
Ms 12.9.55. SE Activity July-Dec. 1942. ‡Corrected.

HIGHS AND LOWS / S.E. ACTIVITY

—	1977/78 High	1977/78 Low	Since Compilation High	Since Compilation Low		Mar. 23	Mar. 22
					—Daily		
t. Secs.	78.86 (30/9)	60.45 (4/1)	127.4 (9/1/35)	49.18 (3/1/75)	Gilt-Edged	192.3	188.8
					Industries	181.4	197.7
d Int.	81.27 (9/1/78)	60.49 (4/1)	150.4 (28/11/47)	50.53 (3/1/75)	Speculative	51.7	65.6
					Totals	124.3	132.8
					5-day Average		
Ord.	549.2 (14/9)	357.6 (13/1)	549.2 (14/9/77)	49.4 (26/6/40)	Gilt-Edged	194.7	194.8
					Industries	186.8	160.6
Mines	174.5 (18/10)	95.1 (1/2)	442.3 (22/5/75)	43.5 (26/10/71)	Speculative	50.4	49.6
					Totals	116.5	113.6

FINANCIAL TIMES STOCK INDICES

—	Mar. 23	Mar. 22	Mar. 21	Mar. 20	Mar. 17	Mar. 16	A Year ago
ntral Group	199.17	199.84	191.92	196.78	196.42	196.78	167.83
Shares	220.42	220.85	221.14	217.56	216.88	216.60	190.52
Yield p.c.	5.66	5.64	5.65	5.75	5.74	5.74	5.70
Ratio (net)	7.86	7.89	7.92	7.80	7.98	7.95	9.41
Shares	204.48	205.00	205.25	202.21	201.77	201.45	176.78

Henderson Baring Fund Mgrs. Ltd.

P.O. Box N4723, Nassau, Bahamas

Japan Fd. ... 16.13 16.83 +0.12 —

Prices on Mar. 22. Next dealing date Mar. 29.

Hill-Samuel & Co. (Guernsey) Ltd.

8 LeFebvre St., Peter Port Guernsey, C.I.

Guernsey Tst. ... 147.2 157.5 −0.9 3.51

Hill Samuel Overseas Fund S.A.

37, Rue Notre-Dame, Luxembourg.

16.77 17.44 −0.04 —

International Pacific Inv. Mngt. Ltd.

PO Box R237, 56, Pitt St, Sydney, Aust.

Javelin Equity Tst. $1.85 1.94 −0.01 —

J.E.T. Managers (Jersey) Ltd.

PO Box 194, Royal Tst. Hse., Jersey 0534 27441

Jersey Extrnl Tst. 125.0 133.0 .. —

As at Feb. 28. Next sub. day Mar. 31.

Jardine Fleming & Co. Ltd.

46th Floor, Connaught Centre, Hong Kong

Jardine Estn. Tst.	SHK218.69	...	3.40
Jardine J'pn. Fd.*	SHK292.08	...	1.00
Jardine S.E.A.	SUS12.25	...	2.50
Jardine Flem. Int.	SHK8.94	...	—

NAV Mar. 15. *Equivalent SUS63.38. Next sub. March 31.

Kemp-Gee Management Jersey Ltd.

1, Charing Cross, St. Helier, Jersey. 0534 73741

Kemp-Gee Capital	84.6	87.2	...	—
Kemp-Gee Income	65.3	67.3	...	8.50

(Accum. Shares)	77.0	80.5	...	—
Jersey Fd. Mar. 22	189.0	200.4	−0.8	7.10
(Non-J. Acc. Uts.)	260.0	275.6	−1.0	7.10
Gilt Fund Mar. 22	112.6	114.6	...	10.47
(Accum. Shares)	141.6	144.0	...	10.47

Victory House, Douglas, Isle of Man. 0624 25020

Managed Mar. 16 ... 127.6 134.4 ... —

Utd. Intnl. Mngmnt. (C.I.) Ltd.

14, Mulcaster Street, St. Helier, Jersey.

U.I.B. Fund ... SUS100 .. 8.25

United States Tst. Intl. Adv. Co.

14, Rue Aldringer, Luxembourg.

U.S. Tst. Inv. Fnd. SUS9.62 −0.02 0.96

Net asset March 22

S. G. Warburg & Co. Ltd.

30, Gresham Street, EC2. 01-600 4555

Cnv. Bd. Fd. Mar. 22	SUS9.47	+0.01	—
Engy. Int. Mar. 22	SUS18.73	−0.02	—
Gr. St. $Fd. Feb. 28	SUS6.51	...	—
Mer. Eur. Fd. Mar. 22	SUS10.18	10.29 +0.04	—

Warburg Invest. Mngt. Jrsy. Ltd.

1, Charing Cross, St. Helier, Jsy. CI 0534 73741

CMF Ltd. Feb. 23	SUS12.37	12.69	...	—
CMT Ltd. Feb. 23	£12.62	12.95	...	—
Metals Tst. Mar. 16	£11.48	11.76	...	—
TMT Mar. 9	SUS9.18	9.42	...	—
TMT Ltd. Mar. 9	£9.28	£9.52	...	—

World Wide Growth Management♦

10a, Boulevard Royal, Luxembourg.

Worldwide Gth Fd. SUS12.91 +0.01 —

NOTES

Prices do not include $ premium, except where indicated ♦, and are in pence unless otherwise indicated. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b To-day's prices. c Yield based on offer price. d Estimated. g To-day's opening price. h Distribution free of U.K. taxes. p Periodic premium insurance plans. s Single premium insurance. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. z Previous day's price. ♥ Net of tax on realised capital gains unless indicated by ϕ. ¶ Guernsey gross. ϕ Suspended. ♦ Yield before Jersey tax. † Ex-subdivision.

CORAL INDEX: Close 458-463

INSURANCE BASE RATES

† Property Growth ... 7½%

† Vanbrugh Guaranteed ... 6.87%

† Address shown under Insurance and Property Bond Table

FT SHARE INFORMATION SERVICE

**BRITISH FUNDS

Interest Due		Stock	Price £	Last xd	Yield Int.	Yield Red.
"Shorts" (Lives up to Five Years)						
14J	14Ju	Treasury 10½pc '78‡‡	101$\frac{13}{32}$	8.12	10.35	5.69
26M	26S	Exch. 5pc '76-78‡‡	99½xd	17.2	5.02	5.99
9M	9S	Treasury 11½pc '79‡‡	104$\frac{7}{32}$	31.1	11.03	6.74
17M	17S	Treasury 3pc '79‡‡	96$\frac{11}{16}$	8.2	3.10	5.27
26M	26S	Electric 4¼pc '74-79	97⅝xd	17.2	4.35	5.92
1M	1N	Treasury 10½pc '79‡‡	104	26.9	10.10	7.77
15M	15N	Electric 3½pc '76-79	96$\frac{5}{16}$	10.10	3.63	5.89
3M	3S	Treasury 9pc 1980‡‡	101⅞	25.1	8.83	7.92
14M	14N	Treasury 9½pc '80‡‡	101⅞	10.10	9.32	8.52
15J	15D	Treasury 3½pc '77-80	94⅝	8.11	3.70	6.12
15J	15D	Funding 5¼pc '78-80‡‡	96⅛	8.11	5.46	7.16
25M	25N	Exchequer 13pc 1980‡‡	108¾	19.10	11.95	9.20
15J	15Ja	Treasury 11½pc 1981‡‡	105$\frac{9}{16}$	9.12	10.89	9.18
15F	15A	Treasury 3½pc 1979-81	91⅛	9.1	3.84	6.94
1A	1O	Treasury 9¾pc 1981‡‡	101$\frac{9}{16}$xd	23.2	9.60	9.15
12J	12D	Exch. 8¼pc 1981	97½	—	8.46	9.15
4F	4A	Exch. 9½pc 1981	100$\frac{9}{16}$	29.12	9.45	9.30
21F	21A	Exch. 3pc 1981	87¾	16.1	3.42	7.12
17M	17N	Treas. Variable '81§§	96¾	11.10	6.51	7.33
23M	23N	Exch. 12¾pc 1981‡‡	109½	17.10	11.64	9.59
15J	15Ja	Treas. 8½pc '80-82‡‡	97$\frac{13}{16}$	9.12	8.69	9.18
15F	15A	Treasury 3pc '82‡‡	86$\frac{5}{16}$	9.1	3.48	7.09
16M	16S	Treasury 14pc '82‡‡	113$\frac{15}{16}$	7.2	12.29	9.68
15J	15D	Treas. Variable '82§§	95$\frac{13}{16}$	8.11	6.57	7.43
5J	5Ju	Treasury 8¼pc '82	96	1.12	8.59	9.40
22M	22S	Exch. 9¼pc 1982	98$\frac{13}{16}$	13.2	9.35	9.53
5Ju	5J	Exch. 8¾pc 1983●	96$\frac{9}{16}$	—	9.06	9.65
21F	21A	Exch 3pc '83	83$\frac{5}{16}$	16.1	3.60	7.08
17M	17S	Treasury 12pc 1983‡‡	109	8.2	11.01	9.67
Five to Fifteen Years						
18J	18Ju	Treasury 9¼pc '83	99⅝	12.12	9.45	9.77
15J	15Ja	Funding 5½pc '82-84‡‡	87⅜	9.12	6.34	8.42
10J	10Ju	Treasury 8½pc '84-86‡‡	95⅛	5.12	9.08	9.64
1M	1N	Funding 6½pc '85-87‡‡	85¾	26.9	7.82	9.29
26J	26Ja	Treasury 7¾pc '85-88‡‡	87⅛	20.12	9.03	10.04
1J	1Ju	Transport 3pc '78-88	65⅞	25.11	4.60	8.05
15A	15O	Treasury 5pc '86-89	69¾xd	9.3	7.14	9.29
15J	15Ja	Treasury 13pc 1990‡‡	112⅛	9.12	11.87	11.49
15J	15D	Treasury 8¼ 87-90‡‡	86⅝	8.11	9.79	10.56
10J	10Ja	Treasury 11¾pc 1991	103⅛	5.12	11.65	11.60
5A	5O	Funding 5¾pc '87-91‡‡	69⅛xd	1.3	8.27	9.99
22J	22Ja	Treasury 12¾pc '92‡‡	109	16.12	11.95	11.74
21F	21A	Treasury 10pc 1992	91⅛	16.1	11.09	11.42
25F	25A	Exch. 12¼pc '92	104⅛	19.1	11.85	11.76
Over Fifteen Years						
14J	14Ju	Treasury 12½pc '93‡‡	107⅛	8.12	11.92	11.80
15M	15S	Funding 6pc 1993‡‡	66¾	6.2	9.02	10.39
23M	23N	Treasury 13¾pc 1993‡‡	117⅛	17.10	12.20	11.93
1M	1S	Treasury 14½pc '94‡‡	118¾	23.1	12.32	11.98
22F	22A	Exch. 12½pc 1994	105¼	16.1	11.95	11.86
17M	17N	Treasury 9pc '94‡‡	87	11.10	10.74	11.16
25Ju	25Ja	Treasury 12pc '95	103¾	19.12	11.80	11.75
1M	1N	Gas 3pc '90/95	49⅝	26.9	6.20	8.95
21Ja	21J	Exch. 10¼pc 1995●	90⅞	—	11.43	11.65
15M	15N	Treasury 12¾pc '95‡‡	111⅛	10.10	11.97	11.86
15M	15S	Treasury 9pc '92-96‡‡	83¼	6.2	10.85	11.23
3M	3N	Treasury 15¼pc '96‡‡	128⅝	27.9	12.44	12.14
15M	15N	Exchequer 13¼pc '96‡‡	114⅝	10.10	12.07	11.92
1A	1O	Redemption 3pc 1986-96	47xd	23.2	6.38	8.88
22J	22Ja	Treasury 13¾pc '97‡‡	112⅜	16.12	12.04	11.89
21F	21A	Exchequer 10½pc 1997	92⅜	16.1	11.49	11.63
1M	1S	Treasury 8¾pc 1997‡‡	81	23.1	10.89	11.25

Undated

**INTERNATIONAL BANK

**CORPORATION LOANS

COMMONWEALTH & AFRICAN LOANS

LOANS

Public Board and Ind.

Financial

FOREIGN BONDS & RAILS

U.S. $ & DM prices exclude inv. $ premium

AMERICANS

AMERICANS—Continued

S.E. List Premium 44¼% (based on $US1.8815 per £)

Conversion factor 0.6928 (0.6912)

CANADIANS

S.E. List Premium 44¼% (based on $2.1176 per £)

BANKS AND HIRE PURCHASE

Hire Purchase, etc.

BEERS, WINES AND SPIRITS

BUILDING INDUSTRY, TIMBER AND ROADS

BUILDING INDUSTRY—Cont.

CHEMICALS, PLASTICS

CINEMAS, THEATRES AND TV

DRAPERY AND STORES

DRAPERY AND STORES—Cont.

ELECTRICAL AND RADIO

ENGINEERING MACHINE TOOLS

ENGINEERING—Continued

FOOD, GROCERIES, ETC.

HOTELS AND CATERERS

HOTELS—Continued

INDUSTRIALS (Miscel.)

INDUSTRIALS—Continued

[illegible]

INSURANCE

[illegible]

INSURANCE—Continued

[illegible]

MOTORS, AIRCRAFT TRADES

Motors and Cycles

[illegible]

Commercial Vehicles

[illegible]

Components

[illegible]

Garages and Distributors

[illegible]

NEWSPAPERS, PUBLISHERS

[illegible]

PAPER, PRINTING ADVERTISING

[illegible]

PROPERTY

[illegible]

PROPERTY—Continued

[illegible]

SHIPBUILDERS, REPAIRERS

[illegible]

SHIPPING

[illegible]

SHOES AND LEATHER

[illegible]

SOUTH AFRICANS

[illegible]

TEXTILES

[illegible]

TOBACCOS

[illegible]

TRUSTS, FINANCE, LAND

Investment Trusts

[illegible]

INV. TRUSTS—Continued

[illegible]

Finance, Land, etc.

[illegible]

FINANCE, LAND—Continued

[illegible]

OILS

[illegible]

OVERSEAS TRADERS

[illegible]

RUBBERS AND SISALS

[illegible]

TEAS

India and Bangladesh

[illegible]

Sri Lanka

[illegible]

Africa

[illegible]

MINES

CENTRAL RAND

[illegible]

EASTERN RAND

[illegible]

FAR WEST RAND

[illegible]

O.F.S.

[illegible]

FINANCE

[illegible]

DIAMOND AND PLATINUM

[illegible]

MINES—Continued

CENTRAL AFRICAN

Dividends Paid	Stock	Price	Last xd	Div Net	Cvr	Y'ld Gr's
Nov. May	Falcon Rh.50c	190	19.9	Q50c	1.3	24.2
May	Rhod'n Corp. 16¼p.	19	377	0.57	4.3	4.5
—	Roan Cons. K4	65	1274	—	—	—
Dec. July	Tanganyika 50p	125	17.10	Q11.0	1.1	6.8
Jan. July	Do. Pref. 80p	80	12.12	Q9%	16.4	9.0
Nov. May	Wankie Col. Rh.1	39	17.10	Q7½c	1.4	16.4
—	Zam.Cpr.SBD0.24	10½	1174	—	—	—

AUSTRALIAN

[illegible]

TINS

[illegible]

COPPER

[illegible]

MISCELLANEOUS

Dividends Paid	Stock	Price	Last xd	Div Net	Cvr	Y'ld Gr's
—	Burma Mines 17½p.	9	575	—	—	—
Aug. Feb.	Cons. Murch. 10c	235	3.1	Q30c	ϕ	7.6
—	Northgate C$1	285	375	—	—	—
Jan. June	R.T.Z.	186	31.10	t8.5	q3.1	6.9
—	Sabina Inds. C$1	31	—	—	—	—
—	Tara Expln. $1	800	—	—	—	—
Nov. July	Tehidy Minerals 10p	43	17.10	1.21	2.5	4.3
October	Yukon Cons. C$1	145	15.9	Q7c	ϕ	23

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on the basis of net distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields are based on middle prices, are gross, adjusted to ACT of 34 per cent. and allow for value of declared distributions and rights. Securities with denominations other than sterling are quoted inclusive of the investment dollar premium.

- Δ Sterling denominated securities which include investment dollar premium.
- • "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ϕ Figures or report awaited.
- †† Unlisted security.
- ≠ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ** Free of Stamp Duty.
- ♦ Merger bid or reorganisation in progress.
- ≠ Not comparable
- ♠ Same interim; reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♥ Excluding a final dividend declaration.
- ✦ Regional price.
- || No par value

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. r Australian currency. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. D Cover and P/E ratio exclude profits of U.K. aerospace subsidiaries. E Issue price. F Dividend and yield based on prospectus or other official estimates for 1977-78. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1976-77. K Figures based on prospectus or other official estimates for 1978. M Dividend and yield based on prospectus or other official estimates for 1978. N Dividend and yield based on prospectus or other official estimates for 1979. P Dividend and yield based on prospectus or other official estimates for 1977. Q Gross. T Figures assumed. U No significant Corporation Tax payable. Z Dividend total to date. ‡‡ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

"Recent Issues" and "Rights" Page

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REGIONAL MARKETS

The following is a selection of London quotations of shares previously listed only in regional markets. Prices of Irish issues, most of which are not officially listed in London, are as quoted on the Irish exchange.

[illegible]

IRISH

[illegible]

OPTIONS

3-month Call Rates

[illegible]

FINANCIAL TIMES

Tuesday March 28 1978

Bank lets dollar fall against the yen

BY DOUGLAS RAMSEY

TOKYO, March 27.

SENSITIVE to claims that it has brought up nearly $5bn. on the Tokyo foreign exchange market since early January to reverse the yen's climb, the Bank of Japan is intervening less actively and letting the dollar fall to Y225.25, another post-war low against the yen, on to-day's market.

The bank intervened to the tune of $300m. on the market to-day but did not manage to prevent the yen from rising to Y225.25 against the dollar before it fell slightly back to Y225.3 at the closing spot.

Turnover on the market was about $650m., and for the first time the six-month forward rate for dollars sunk below the Y200 barrier to Y218.3.

With the bank's intervention last Friday (put at $150m.) and an estimated $4.5bn. soaked up by the bank in January, February, and the first 20 days of March, the stalling action on to-day's market has brought the total of proceeds from the bank's defence of the dollar to about $5bn.

The Nihon Keizai Shimbun, moreover, estimates intervention in earlier months at $1.5bn. in October, $2.3bn. in November, and $1.25bn. in December.

Agreement

The American dollar has been falling fast on the Tokyo exchange market and speculators seem bent on narrowing the gap between the Japanese yen and Europe's strongest currencies as against the dollar. The latest surge carried the Japanese currency several points from its Friday closing rate of Yen228.2 to the dollar and brings the currency's appreciation since the 1971 Smithsonian agreement to 36.7 per cent.

The stronger yen, however, has lost buying power against the German and Swiss currencies since the Smithsonian agreement.

The Deutschemark has risen in value by about 58 per cent, against the dollar and the Swiss Franc by about 102 per cent.

The Bank of Japan intervened cautiously in the Tokyo market on Friday and again to-day, and market analysts say the Government has given up hope of holding the yen at a level not consonant with market pressures.

On Friday, the Government bought up $150m. on th market when spot turnover was relatively narrow at $477m. in to-day's market, the bank is understood to have soaked up $300m., but turnover was also appreciably higher at $650m.

Curb Tokyo's imports to Europe—MP

DR. DAVID OWEN, Foreign Secretary, is being urged to press the Common Market Commission to restrict Japanese imports to EEC countries "as a matter of urgency."

Mr. Douglas Hoyle, Labour MP for Nelson and Colne, said action should be taken in the face of the latest "intransigent refusal" by Japan to offer immediate and meaningful concessions to reduce Tokyo's future trade surplus with the EEC.

Mr. Hoyle's demand follows talks in Tokyo which ended with EEC negotiators leaving Japan apparently almost empty-handed

U.K. mission to seek Japanese investment

BY ANTHONY MORETON, REGIONAL AFFAIRS EDITOR

THE GOVERNMENT is to send a mission to Japan this week to won potential investors and attract Japanese companies to Britain. It will be lead by Mr. Alan Williams, Minister of State at the Department of Industry. With him will be four officials from the department, including Miss Anne Mueller, the deputy secretary responsible for regional affairs.

The party leaves London on Friday and will spend a week in Tokyo and Osaka. On the way back it will stop at Hong Kong for a few days to have talks on the £100m. power station deal with which GEC is involved.

The main aim of the delegation is to repair the damage done when Hitachi was forced to withdraw its plan to set up a colour television plant at Washington, County Durham, last December. Strong opposition from the British radio and television industry which argued there was considerable overcapacity, caused Hitachi to pull out.

It is known that one other leading Japanese appliance company is now looking for a base in Europe. Two sites on the Continent have been considered but no decision has been taken.

Hitachi's forced withdrawal caused considerable resentment in Japan, where companies find it difficult to differentiate between industrial and Government attitudes. Mr. Williams said: "There was more of a reaction to the Hitachi withdrawal than if a European firm had been squeezed out.

"Japanese firms feel very much at the moment that Britain is against them. This is not the case. The major purpose of my visit is to reassure the Japanese that there is no hostility towards their investment in the U.K. and that their firms are as welcome as those from any other country.

Persuaded

"There are 11 Japanese concerns operating in the U.K. and we are very happy with them. They have brought advanced technology to Britain and created a lot of jobs. If Hitachi had opened in the North-East it would have employed 400 to 500 people in an area desperately short of work."

In the hope that Hitachi might still be persuaded to think again about Britain, Mr. Williams is to have discussions with the group in Japan.

He will also be seeing MITI—the Ministry of Trade and Industry—Sony, Mitsubishi, Mitsui, the Bank of Tokyo and other banks, some trading houses and the Keidanran, the Japanese equivalent of the Confederation of British Industry.

Mr. Williams intends to take the opportunity of a lunch with the British Chamber of Trade in Tokyo to make a major speech on the climate for Japanese investment in Britain.

Mr. Williams' visit coincides with growing fears in Japan that Europe will turn protectionist unless it invests more abroad. If companies are to invest abroad "then I want to ensure that we in Britain get a big share of the action."

The present deputation is the latest of a series that have flown out from Britain. Last November Mr. John Morris, Secretary for Wales, headed a party that included Sir Charles Villiers, chairman of the British Steel Corporation, and soon after Mr. Williams returns, the Welsh Development Corporation is to send a man out to Tokyo. Wales already has four Japanese production plants.

GKN and East Germans in talks on licensing deal

BY TERRY DODSWORTH, MOTOR INDUSTRY CORRESPONDENT

GKN, Britain's biggest engineering group, is holding talks with the East German authorities about a construction and licensing deal for front-wheel drive transmission units.

Tenders have now been entered for the contract, which Peugeot-Citroen, the French car company, and another, unnamed competitor are also seeking. A decision is expected within a month.

The negotiations indicate the new and faster pace at which East European countries have begun to develop their motor industries.

The plant in East Germany is expected to supply transaxle units to both the local industry and Czechoslovakia. This is in line with co-operation agreements which provide for an integrated approach in the region so that production capacity is not unnecessarily duplicated.

GKN's previous involvement in Eastern Europe has been confined to plant construction and development projects for the forgind and foundry industries.

Complex

The proposed East German deal, however, would probably be a more complex agreement both to build a plant and licence the front-wheel drive universal joint technology in which GKN is an acknowledged world leader.

Such products, developed by its Hardy Spicer subsidiary, are licensed from the company in many parts of the world, and recently led to a large new contract in the U.S.

Peugeot-Citroen, however, is likely to prove a formidable competitor, because of its own long experience of the same technology.

Citroen also has some experience of working in the region, having recently concluded an agreement to design a totally new car for the Rumanians.

Boeing estimates jet airliner market at £39bn. to 1987

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

BOEING, the world's biggest jet manufacturer, estimates that the global market for jet airliners up to 1987 is likely to be worth $74bn. (about £39bn.).

Of this total, about $41bn. (over £21bn.) will be for aircraft required to meet the estimated growth in world airline traffic, and about $30bn. (nearly £16bn.) will be for aircraft to replace existing ageing jets. The balance of about $3bn. (about £1.5bn.) will be for jet freighter aircraft.

Boeing estimates that the volume of world airline passenger traffic will rise between 6 and 7.1 per cent. a year up to 1987.

Most of the expected demand will fall in the medium-range category of aircraft, where Boeing foresees sales of about $32bn. with sales of $15bn. in the short-range category, and of $24bn. in the long-range market, as well as $3bn. for freighters.

To meet these markets, Boeing is now offering the world's airlines a new "family" of aircraft.

These include the 757, a twin-engined, short-haul aircraft seating about 150 passengers, for ranges of up to 1,500 nautical miles; the 767-100, a twin-engined aircraft seating 180 passengers, for ranges of about 2,000 nautical miles; and the 767200, a twin-engined 200-seater for the same range.

Beyond these, Boeing has plans for a 777 "Triple Seven" three-engined jet, also for 200 passengers but longer distances, of about 2,700 nautical miles.

Successful

Boeing is also considering the development of a long-range version of the "Triple Seven," which would also be a three-engined aircraft, capable of carrying 200 passengers over distances of 4,500 nautical miles.

Boeing is now discussing these plans with major airlines in the U.S. and elsewhere, as well as with the major engine manufacturers, including Rolls-Royce, which is hoping to win orders for versions of its RB-211 engine in all of the new Boeing family of jets.

Another new model which Boeing is considering is a modernised version of the highly-successful 707 jetliner, which would use four of the new French-U.S. CFM-56 jet engines. Boeing believes this could revitalise the 707 production line, with sales well into the 1980s.

All these new models would be in addition to continued sales of the already highly-successful Boeing 747 Jumbo jet, for which there are designs to cope with up to 750 passengers and more, compared with the present 400-seater 747s.

Production of the short-haul Boeing 737 would also continue, but the new 757 would be likely to supplement, and eventually perhaps replace, the successful 727 medium-range jet.

Liberal MPs pressed to seek tax cuts

BY RICHARD EVANS, LOBBY EDITOR

PRESSURE IS building up in the Liberal Party for its 13 MPs to press ahead with demands for massive cuts in direct taxation that seem certain to be rejected by Mr. Denis Healey, Chancellor of the Exchequer, in his Budget on April 11.

The result could mean, if not the premature end of the Lib-Lab pact, a series of bruising clashes during the committee stage of the Finance Bill and Government defeats on a number of taxation proposals.

But Ministers remain confident that there will be no scrapping of the pact that is keeping Mr. Callaghan's minority administration in office, and that there will be no need for the Prime Minister to call an unwelcome early General Election in the summer.

The belief is that Mr. Callaghan will keep the option at the end of this session of calling an election in October, or of taking a massive gamble of retaining a majority in Parliament and soldiering on into 1979 if the economic indicators are favourable.

So far the Government and the Liberals seem increasingly set on a clash course over the Budget and the final round of talks between Mr. Healey and Mr. John Pardoe, the Liberals' economic spokesman, scheduled for next week show little prospect of a satisfactory compromise.

The full Liberal proposals, which were not published as planned last week, will now be announced in the week before the Budget.

It is already well known that the party is demanding a massive cut in the standard rate of income tax to about 25 per cent, as well as reductions at both ends of the tax scale.

Apart from the money, Mr. Healey is prepared to pump into the economy, these would be financed by consolidating value added tax to 10 per cent., by increasing duties on tobacco and alcohol in line with inflation and, most controversial of all, by introducing a payroll tax by increasing employers' National Insurance contributions by 1½ per cent.

The key question will be how far Mr Healey will be prepared to go to satisfy the Liberals, and the indications are that he will fall some way short.

The Cabinet is totally opposed to a sharp increase in National Insurance contributions because of the adverse effect this would have on employment. In any case, Mr. Healey is under pressure from some colleagues to increase social spending rather than cutting taxes still further.

The Liberals will therefore be faced with the dilemma of settling for less than they have publicly demanded or backing Conservative demands for greater tax reductions—a course likely to benefit the Tories more than the Liberals.

The party regards the Budget strategy as vital to its campaign of selling the Lib-Lab pact and there is certain to be continuing pressure for maximum demands to be maintained.

Banks start long loans again

BY MARY CAMPBELL

INTERNATIONAL BANKS have decided that they are again prepared to lend money for more than 10 years.

Two leading U.S banks, Citicorp and Morgan Guaranty, together with a leading German bank, Deutsche, have jointly agreed to arrange a $175m. (£97m.) financing for the $7-8bn. Itaipu hydro-electric project on the frontier between Brazil and Paraguay. Of the $175m. total $75m. will be for 12 years and the remainder for 10.

The last occasion on which banks were prepared to commit themselves to a formal syndicated loan for as long as this was in 1974, before the strain of recycling petro-dollars and the international money market crisis following closure of the German Herstatt bank caused banks to cut back their international lending sharply.

The current loan is completely guaranteed by Brazil although the company borrowing the money is jointly owned by Brazil and Paraguay.

The main difference between the terms of the Itaipu loan and the terms of loans arranged for similar maturities early in 1974 is better and the interest rates is better and the nterest rates being charged by the banks are higher.

In early 1974, banks were making 12 year loans to less than sovereign risk Brazilian borrowers at margins over inter-bank rates of under 1 percentage point: the margins payable on the Itaipu loan will be 1⅞ per cent. on the 10-year portion and 2 per cent on the 12-year

However, if banks should decide to extend loans for more than 10 years to other borrowers, it is questionable whether such favourable rates would apply.

'Anarchy' claim angers AUEW

By Alan Pike, Labour Correspondent

PRINT union representatives and national newspaper industry management will meet today to discuss what Sir Richard Marsh, chairman of the Newspaper Publishers' Association has called "near-total anarchy in Fleet Street."

The Times failed to publish for the second successive day to-day because of an engineerin gworkers' dispute which also prevented publication of this week's Sunday Times. The Guardian, which is printed on the same presses, also lost its London production.

In the London area, newspaper distribution continues to be disrupted by a separate unofficial dispute involving members of the Society of Graphical and Allied Trades employed by wholesalers.

Sir Richard, discussing labour relations in Fleet Street in a radio interview, said that trade union leaders appeared in most cases to have lost control of their members.

He said unions should expel members who did not conform with the industry's agreed disputes procedures.

Derision

Sir Richard, referring to the "brutality of irresponsible power," said that there was no point in concluding agreements with union leaders which members on the shop floor treated with derision.

Industrial action was endangering some of the best newspapers in the world and was jeopardising thousands of jobs.

Talks on The Times dispute with officials of the Amalgamated Union of Engineering Workers have been arranged for this morning and the council of the NPA is also likely to meet.

The Times management says the dispute arose on Saturday night when the engineering workers refused to give assurances that they would complete maintenance and preparatory work on The Sunday Times.

The company, which says that it has lost 2,755,000 copies of various publications in the last six months because of unofficial AUEW action, then told the men that they were considered to have dismissed themselves.

Mr. Reg Birch, AUEW executive member who will represent the union at to-day's talks on The Times dispute, said last night: "We have a meeting arranged to try to solve the problem and comments like those from Sir Richard before the meeting takes place do not help."

Shortages

Mr. John Osborne, father of The Times AUEW chapel (office union section), claimed that his members had been locked out. He said they had been asked to do extra work on a 72-page paper and could not because of staff shortages.

"If we had been allowed to stay we would have worked as best we could," he said.

More than 6.5m. copies of national newspapers have now been lost because of the dispute over overtime payments by London wholesalers' employees. The men are taking selective action each night against one or more titles.

Continued from Page 1

Contingency fund plan opposed

tion in 1978-79 to provide an immediate boost to the economy, and around £80m. in 1979-80.

Other Ministers are less enthusiastic and cite both the recent support given to construction and the limited amount of money available.

Higher child benefits and a postponement of higher school meal charges—both in the autumn—are felt to be more politically attractive in view of an October election.

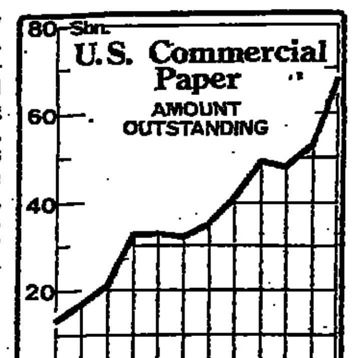
Mr. David Ennals, Social Services Secretary, has been pressing for extra money for the health service—£50m. in 1978-79 and a growth of 3 per cent. a year in real terms thereafter. This compares with the growth rate of 1½ per cent. a year proposed in the January White Paper.

The Treasury is reluctant to re-open the debate about medium-term plans until the normal annual public spending review in the summer, and the Cabinet has not yet been persuaded of the case for extra health service spending in 1978-1979, in spite of growing public calls.

The discussion on the uprating of pensions and other social security benefits will have to be completed within the next few weeks since roughly six months' notice has to be given before the annual rise in November.

THE LEX COLUMN

U.S. commercial paper boom



British banks do not know how lucky they are sometimes. Although the current combination of weak loan demand and low interest rates is putting pressure on their profitability, competition for new business is at least confined within the banking system. By contrast, over in America the big banks are finding that many of their traditional customers are bypassing them and borrowing directly from the fast-growing commercial paper market.

In the first ten months of last year, for example, business loan demand at the 10 major New York banks grew at an annual rate of just 1.5 per cent., whereas the amount of outstanding commercial paper grew by around 20 per cent. Admittedly, the experience of the big New York banks was worse than average but even so over the last year the amount of outstanding commercial paper has grown twice as fast as business loan demand at all the commercial banks.

Competition

In the early part of the decade the U.S. commercial paper market was expanding slightly more slowly than bank lending generally, but over the last few years it has taken off. Since 1974 it has grown by well over a third, while banks' commercial and industrial lending is less than 10 per cent. higher. To-day, there is around $67bn. of commercial paper outstanding, equivalent to roughly a third of all U.S. banks' business loans, and the growth rate shows little sign of slackening.

By any standard the U.S. commercial paper market is now an important alternative source of short term finance for large corporate borrowers and with the banks' prime lending rates standing at 8 per cent. compared with a commercial paper rate of around 7 per cent., it is not difficult to see why.

Most commercial paper carries an initial maturity of 60 days or less and only the top quality borrowers have access to the market. Consequently, investors, such as insurance companies and corporate treasurers, treat commercial paper as a relatively low risk, highly liquid investment—similar to treasury bills or certificates of deposit.

The market splits into two parts. The largest section consists of borrowers, typically the large finance companies, that place their commercial paper directly with investors. This type of borrower, and there are probably only around 75 of them, accounts for just over 60 per cent. of the outstanding commercial paper. Since they do not use brokers to place their paper they need to issue a large amount to justify the expense of maintaining their own marketing departments. According to the Federal Reserve, it is not economical to place paper directly unless the average monthly volume of outstanding paper exceeds $100m. At the end of 1976 the average amount outstanding per borrower, was in fact $650m.

The smaller corporate borrowers rely on a network of ten or so dealers to place their commercial paper and although the total amount raised is smaller, the number of companies that have access to this part of the market is considerably larger. The Federal Reserve reckons that more than 650 companies currently sell or guarantee paper in the dealer market. Of these, just under half are industrial companies and around a quarter are public utilities. Most of the firms have a net worth of over $100m. but a few have a net worth as low as $50m. Meanwhile, the average amount outstanding at the end of 1976 amounted to

British initiatives

Given the success of the U.S. commercial paper market there have been occasional half-hearted attempts to establish a similar market in the U.K. over the the past few years. In the run-up to the fringe banking crisis in the early 1970s a thriving market in inter-company deposits developed and for a time it looked as if this could develop into a fully fledged commercial paper market—bypassing the banking system. This quickly fizzled out, however, following the collapse of a few secondary banks and since then the Bank of England has frowned on the development of another inter-company market.

Conceivably, if the U.K. authorities imposed rigid controls on bank lending a local commercial paper market might one day emerge, but as this could well weaken the authorities' grip over credit creation it would probably meet with official disapproval. In addition, any issuer of commercial paper would normally have to maintain a back-up line of credit with a bank in order to insure payment on maturity.

Laird Group

Laird Group's preliminary pre-tax profits are £1m. higher at £9.1m., which is no mean achievement given that the steel side, which accounts for nearly a third of group sales, only made a nominal contribution for the second year running, and the shiprepairing side swung back into the red with losses of over £0.5m.

Turnover in the second half actually fell slightly and the group has clearly been concentrating on improving its profitability rather than its sales volume. On the steel side the labour force was allowed to fall by around 15 per cent. and a sharp drop in scrap metal prices eased raw material costs. There was a marginal increase in sales volume but no improvement in prices, which are now lower than they were two years ago. The only consolation is that the group has probably seen the bottom of the steel recession here in the U.K. at least, and profits should improve this year. As the group made £7.4m. on steel alone in 1974 there is plenty of scope for recovery.

Fortunately, Laird Group's motor component business has continued to perform strongly with Germany and France probably contributing around £5m.

Provided there is no sharp downturn in the European motor industry this year, Laird should be able to easily top £10m. However, the group is still heavily dependent on cyclical industries, and although its bid for Charringtons proved a flop, it remains intent on broadening its earnings base by acquisition. Meanwhile at 81p the shares yield 5.5 per cent.

Weather

U.K. TO-DAY

RAIN IN most areas. Showers most frequent in western Scotland and Northern Ireland.

London, S.E. and Cent. S. England, East Anglia, Midlands
Cloudy with outbreaks of rain. Max. 12C (54F).

Channel Islands, S.W. England, S. Wales
Cloudy, with outbreaks of rain. Max. 11C (52F).

E., N.E. and Cent. N. England
Dry, bright or sunny spells. Max. 11C (52F).

N. Wales, N.W. England, Lakes
Showers and sunny intervals. Max. 9C (48F).

Isle of Man, S.W. and N.W. Scotland, Cent. Highlands, N. Ireland
Showers, wintry over hills. Max. 8C (46F).

Borders, N.E. Scotland, Orkney, Shetland
Sunny intervals, showers. Max. 6-8C (43-46F).

Outlook: Sunny intervals and showers.

BUSINESS CENTRES

		Y'day mid-day °C	°F			Y'day mid-day °C	°F
Amsdm.	Dr	9	48	Luxemb'g	R	7	45
Athens	C	13	55	Madrid	S	18	64
Bahrain	C	25	77	Manchstr.	F	11	52
Barcelona	S	17	63	Melbourne	C	18	64
Beirut	F	17	63	Milan	S	11	52
Belfast	F	9	48	Montreal	R	2	36
Belgrade	C	9	48	Moscow	C	4	39
Berlin	F	9	49	Munich	R	3	37
Brmghm.	F	12	54	Newcastle	S	11	52
Bristol	C	11	52	New York	R	10	49
Brussels	R	11	52	Oslo	S	1	34
Budapest	S	10	50	Paris	R	12	54
B. Aires	S	22	72	Perth	F	25	77
Cairo	S	21	71	Prague	C	8	46
Cardiff	F	11	52	Reykjavik	F	1	34
Chicago	C	9	47	Rio de J'o	S	31	88
Cologne	R	7	45	Rome	S	15	59
Copnhagn.	C	6	43	Singapore	S	30	86
Dublin	F	9	46	Stockholm	F	5	41
Edinburgh	F	10	50	Strasbrg.	R	7	43
Frankfurt	R	5	41	Sydney	F	22	72
Geneva	R	5	41	Tehran	S	17	62
Glasgow	R	9	48	Tel Aviv	F	17	63
Helsinki	Sl	1	34	Tokyo	C	18	65
H. Kong	S	21	69	Toronto	C	0	32
Jo'burg	C	24	75	Vienna	C	9	48
Lisbon	F	17	63	Warsaw	C	6	43
London	R	14	57	Zurich	Sl	3	37

HOLIDAY RESORTS

		°C	°F			°C	°F
Ajaccio	S	14	57	Istanbul	F	10	50
Algiers	S	21	70	Jersey	Dr	10	50
Biarritz	C	14	57	Locarno	S	10	50
Blackpool	S	10	50	Majorca	S	19	66
Bordeaux	C	13	55	Malaga	S	22	72
Boulogne	R	9	48	Malta	S	15	59
Casablnca.	S	19	66	Nairobi	S	23	73
Cape Town	S	25	77	Naples	F	14	57
Corfu	R	10	50	Nice	S	15	59
Dubrovnik	C	11	52	Nicosia	S	17	63
Faro	S	24	75	Oporto	F	15	59
Florence	S	13	55	Rhodes	R	14	57
Funchal	S	18	64	Salzburg	F	5	46
Gibraltar	S	19	66	Tangier	S	22	72
Guernsey	Dr	9	48	Tenerife	F	23	73
Innsbruck	C	4	39	Tunis	S	17	63
Inverness	S	8	46	Valencia	S	20	68
Isle of Man	S	10	50	Venice	S	12	54

S—Sunny. R—Rain. Sl—Sleet. Dr—Drizzle. C—Cloudy. F—Fair.

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